

Sales Management

The Weekly Magazine for Marketing Executives



W. S. Knudsen

President, Chevrolet Motor Company, Detroit

Why Chevrolet Gives Dealers
a Voice in the Advertising



Will Cooperation Lick the
Price-Cutting Evil?

Again
FIRST IN PITTSBURGH
by more than
half a million lines

There must be a reason why in June, once more, advertisers in Pittsburgh chose The Press in preference to other papers a reason why 48.1 per cent of all lineage appeared in this one medium a reason why, year after year, The Press maintains its leadership in lineage and in number of exclusive accounts. *A habit of producing results* is this reason. And a glance through the pages of this live home newspaper will show you how this habit is created and fostered.

**The Power of the Press
in Pittsburgh**

Media Records, Inc., for June lists The Press as leading in 27 out of 36 classifications. And 355 advertisers used The Press exclusively in June.

(Advertising carried in a national magazine distributed by another Pittsburgh Sunday newspaper properly excluded.)

The Pittsburgh Press
A Scripps • Howard Newspaper

NATIONAL ADVERTISING
DEPARTMENT OF
SCRIPPS-HOWARD
NEWSPAPERS
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED
PRESS . . . OF THE AUDIT
BUREAU OF CIRCULATIONS
and of
MEDIA RECORDS, INC.

CHICAGO • SAN FRANCISCO • LOS ANGELES • DALLAS • DETROIT • PHILADELPHIA • BUFFALO • ATLANTA



There are rumors that European travel is below normal this year . . .

Yet over 300,000 Americans will have witnessed the Passion Play at Oberammergau by the end of the season.

If it is true that a certain class of people are retrenching . . . then how necessary it is for an advertiser to pick an audience of free-spending families for his sales efforts.

1,600,000 such read *Cosmopolitan* every month.

COSMOPOLITAN: A Class Magazine With More Than 1,600,000 Circulation

Published every Saturday and copyrighted by SALES MANAGEMENT, INC., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXIII. No. 7.

BIGELOW, KENT, WILLARD AND CO., INC.

Consulting Engineers
and Accountants—
Merchandising
Counselors

Executives

who capitalize opportunities or who act quickly to retard unfavorable conditions must have periodically before them well organized, cogent facts that reflect the trends and tendencies of their business.

"VITAL STATISTICS REPORT" is the title of a brochure prepared by Bigelow, Kent, Willard & Company, Inc., outlining the organization of such data for executive interpretation. We shall enjoy sending you a copy upon request.

**PARK SQUARE
BUILDING
BOSTON**

Survey of Surveys

BY WALTER MANN

Industrial Dallas

"Recent economic changes in the United States show a marked trend in the direction of decentralization of facilities for manufacturing and distribution. The necessity for the elimination of waste of both time and money, in distribution and the policy of hand-to-mouth buying have compelled concerns desiring national coverage to establish branch factories or distributing branches at points strategically located to serve the well-defined market areas of the country.

"As a result, executives are giving more attention to analysis of markets to determine their consuming powers and to select locations for branch plants, distributing branches, sales offices and service facilities. They are studying the problems of distribution in the major market areas to select the best city in each at which to establish facilities that will insure the greatest volume with maximum speed of service and minimum transportation cost. They are studying the manufacturing facilities available in their market centers that they may select cities for branch factories where production costs are lower, where working conditions are favorable, where the possibilities for return are greater.

* * *

"To give to such executives an accurate, authentic picture of the Southwest, its past development, its present importance and its future possibilities, this volume of basic facts has been prepared. Briefly, it gives the story of the Southwest's economic development since 1900; it presents figures showing the Southwest's present population and buying power; it indicates trends that point to the tremendous development of the Southwest within the next decade.

"The volume goes further and presents, through maps and tables, information concerning the strategic location of Dallas in the Southwest—at the geographic center, with population and buying power concentrated in its immediate territory—facilities at Dallas for manufacturing, facilities for warehousing and distributing, with an analysis of freight rates and transportation facilities; it concludes with a discussion of Dallas as a city in which to live—cost of living, schools, amusements, climate and health—for the executive who realizes the importance of establishing his branch facilities where his employees will be happy in their home environment and content to remain."

These excerpts are from the preface of what is unquestionably one of the best planned, best illustrated, and best printed pieces of sectional research and promotion it has ever been our privilege to review, the new 144-page story of "The Southwest Market . . . and Dallas, its Geographic and Economic Center." Many a S. O. S. reader who wrote for the six books on Dallas, following our review late in November last year, will recognize some of the halftones as having appeared in those six books. But they will find

much new material, much additional data and a much better arrangement of it this year.

Just as there were six books last year there are six sections of the one book this year, as follows: Part I, The Southwest Market; Part II, Serving the Southwest Market; Part III, Manufacturing Conditions; Part IV, Dallas. Its Growth. Living Conditions; Part V, Aviation in the Southwest; Part VI, Texas Laws Affecting Entry into the State.

All six of last year's books rolled into one and that one not quite so big but better'n ever. Your copy direct from Industrial Dallas, Inc., Dallas, Texas. Get your copy while the getting's good!

Dallas—A. N. P. A. Market Survey Form

While on the subject of Dallas, let us pause to comment favorably on the Standard Market Survey Form for Dallas, Texas, put out by the Dallas *Morning News* and the Dallas *Journal*. Adhering fairly rigidly to the formula set up by the Bureau of Advertising of the A. N. P. A., its two center pages give important data on the Dallas market. The front page shows the retail trading area comprising thirty-seven Texas counties (practically all to the Eastward of Dallas), in which the influence of Dallas as a shopping center is greater than that of any other city. A small detail map done in four colors shows the city broken down into areas with residential rentals of \$50 per month and upward, of \$25-\$50 per month (New York and Brooklyn renters please note that this comprises a large portion of the city) and those below \$25 per month (an equally large portion). The number of families and the number of combined *News* and *Journals* going into each area are also shown. Available direct from the publisher, it belongs in all space buyers' files.

Ambitious Amarillo

And while down in that country let's discuss the Amarillo Chamber of Commerce. This enterprising chamber has skillfully combined the filing cover of an A. N. P. A. Form (two colors) in a thirty-page brochure describing the northern Texas metropolis as "one of the big five" with picture, map, chart and table. The pictures are similar in style to those in "The Southwest Market," showing the new \$2,000,000 general offices of the Santa Fe main lines out of Amarillo (fourteen stories), other office buildings, industries of Amarillo, pictures of progress in the Panhandle District, airports, churches and schools, hotels, homes, etc. The maps show railroad lines and roads "out of" Amarillo. All in all, it gives a picture of modernness and prosperity typical of a western middle-sized city. The population is estimated 50,000 but the new census

(Continued on page 267)

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THE president of Lehn & Fink, who has struggled with price-cutting for fifteen years, offers his solution of this problem on page 230 of this issue. Convince the consumer through advertising that price-cutting is unprofitable, he says, and he in turn will very soon convince the wholesaler and retailer. He describes his own company's campaign along this line.

ON page 234 James True continues his series on small businesses which have succeeded in this era of industrial giants. Previous articles appeared May 24, 1930, "How Small Business Can Stem the Tide of Big Competition," and June 7, "Smart Styling Pried This Line Out of the Price Rut."

HOW they are meeting the argument, "we are not buying while business is bad," is answered by nine executives in next week's issue. Among the companies represented are: The Hoover Company, Copeland Refrigerating Company of New York, Dictaphone Sales Corporation, Pendleton Woolen Mills and Coleman Lamp & Stove Company.

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RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; FREDERICK FRANKLIN, Promotion Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.



Prospering Consumers Make Prosperous Utilities

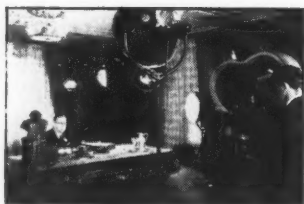
Jacksonville's public utilities closed their fiscal year recently showing net earnings of \$2,000,000—and their consumers are consumers of your products, willing to buy, and able! They believe in and are influenced by just one medium, "Florida's Foremost (7-mornings-a-week) Newspaper"—in Florida's foremost city.

The Florida Times-Union JACKSONVILLE FLORIDA

Hitching a sales story to a star!!



First industrial talking picture comedy gives dealer an effective sales lesson



Through a screen talk, President Fuller of Richfield gets into personal contact with thousands of dealers he could not otherwise reach.

The popularity of screen stars . . . the fascination and proven selling-force of the talking picture . . . these have been combined by the Richfield Oil Company in their recent comedy "Service Wins Again" with Lloyd Hamilton and

Eddie Baker. This effective sales message is reaching thousands of filling station men, dealers, and distributors throughout the country, and is teaching the value of Richfield service.

Metropolitan Sound Studios, licensees of Electrical Research Products, Inc., produced this action story, using the Western Electric Sound System in the recording.

Your business message can be given in a talking picture story—in a way that grips attention from beginning to end. Let us tell you how we can help you use this medium. Send along the coupon.



Special showings of the Richfield picture are arranged at local theatres. Dealers and distributors are invited for 11 P.M. just after the regular show. The audience is invited to remain and see it, too.

ELECTRICAL RESEARCH PRODUCTS, INC. S.M.—3
250 West 57th St., New York, N. Y.

Gentlemen: Please send information as to how I can use Talking Pictures.

Name

Address

Electrical Research Products Inc.
Distributors of

Western Electric
PORTABLE TALKING PICTURE EQUIPMENT

Significant News

• • • The approach of the Labor Day holiday finds no important change in business conditions. Sales at wholesale are near their low point for the summer, retail sales as represented by the department stores and chain store returns for July are substantially lower than last year at this time, and railroad car loadings are far under the levels of the three years immediately preceding. One important exception is building involving structural steel, which is in active demand. Speculative building and residential building, however, still lag.

• • • A gain in the Irving Fisher commodity price index number last week, however slightly from 82.9 to 83.1, is not to be sneezed at in view of the fact that it comes at a time when signs are multiplying that the downward movement is slowing down or dying out, and that it is the first increase for many weeks.

• • • Concessions in wholesale and retail prices of department store merchandise in the last eleven months are strikingly shown in a compilation made by R. H. Macy, New York, of 269 staple and semi-staple items in which average prices for the whole group are reduced to percentages of average prices of the same goods on September 1, 1929, as follows:

	Wholesale	Retail
September 1, 1929	100.0	100.0
January 1, 1930	89.9	87.9
March 1, 1930	87.9	84.2
June 1, 1930	86.5	83.8
July 1, 1930	84.0	81.3

The group does not include furniture, prices of which are believed to have declined still more, and it does not reflect reduction by improvement of quality.

• • • A similar compilation of nationally branded goods would show no such variations, one of the most striking features of the current price movement and believed by some well-informed observers to be a factor in the reported decrease in the volume of sales of such goods.

• • • Leading chain sales in July were about 41½ per cent less than in July, 1929. Gains were commoner among small chains than large chains. A few large ones, like Great Atlantic and Pacific Tea, the largest of all, up more than 3 per cent, reported increases. Kroger, on the other hand, lost 11.7 per cent. This is one of the first periods of depression in the last decade or more that has affected chain store sales adversely.

• • • Department store sales in July, according to the preliminary report of the Federal Reserve System, were 6 per cent less than in July, 1929.

• • • J. C. Penney, broadcasting in the air late last week on the subject of chain stores, credited them with constituting a stabilizing factor because of their great volume of quick sales, which he estimated at \$9,000,000,000 last year. He said that the advertising of twenty-eight leading chains amounted to \$20,000,000.

• • • The extent to which industrial company profits have been cut into by the depressions of the last nine months is illustrated by analysis of the income statements of such widely different concerns as Julius Kayser &

Company and Maytag, makers, respectively, of silk hosiery and washing machines. Kayser's profit on sales dropped from 9.9 per cent in 1929 to 5.4 per cent in 1930 in the fiscal years ended June 30. Maytag's, in the six months ended on the same day, went from 24.7 per cent to 15.2 per cent.

• • • Kayser's decline was due in large part to loss of exports to Australia, cut off by the new tariff in that dominion. The company, like many others in like case, is repairing the damage by opening a plant in Australia.

• • • Goodyear Tire & Rubber reports net income of \$5,592,309 compared with \$12,633,865 for the six months ended June 30. President Litchfield, however, expects reasonably satisfactory results for the full year.

• • • The new census figures, indicating a population growth in the last decade of 16.1 per cent, exceed official estimates. Biggest gains by states were: California, 65.5 per cent; Florida, 51.4; Michigan, 32.0; Arizona, 30.4; New Jersey, 27.6; Texas, 24.8; North Carolina, 23.9; Oregon, 21.6; and New York, 21.5. No other state had an increase of as much as 20 per cent, and only one, Montana, showed a loss.

• • • American tourists in France spent 20 per cent less last year than in 1928 when they left behind them \$160,000,000, according to estimates just announced in Paris. They are spending a good deal less this year than they spent in 1929, according to present indications.

• • • Ford's world production in July was 133,035 cars and trucks compared with 174,528 in June and 196,895 in July, 1929. In the United States the July output was 116,895 against 180,804 last year.

• • • Chevrolet is readjusting prices on sport models to the old basis in view of the fact that wire wheel equipment, a feature that distinguished sport models, is now standard on all Chevrolet cars. The change involves a reduction of \$40. Price cuts are also announced for Oakland and Pontiac in preparation for new models.

• • • American nitrate interests are not wholly aloof from the world agreement to limit nitrate production and control markets and prices, notwithstanding exclusion of the United States from the undertaking, in obedience to our anti-trust laws. The liaison is the Guggenheim process now being adopted by Chile, from which we buy large quantities of nitrates, and the Guggenheim-Ryan group, which is closely allied with Chilean nitrate interests.

• • • Farm wages rose only a little more than half as much as factory wages during the period 1914-1929, the National Industrial Conference Board has just announced—the former 67 per cent, the latter 125 per cent.

• • • U. S. Steel unfilled orders in July were 53,591 tons more than in June, the second largest gain in any month this year. In the last two years there was a loss from June to July, while in 1927 there was a gain of nearly ninety thousand tons.

Will Cooperation Lick the Price-Cutting Evil?

BY EDWARD PLAUT

President, Lebn & Fink, Inc., New York

The only cure for sick distribution, says this executive, is cooperation among manufacturers to the end of educating the public in the simple economic principles of retail merchandising. If we do this, he says, it will not be necessary to bother with the intermediate problems concerning the wholesaler and retailer.

MORE than fifteen years of experience and hard study have taught me at least two vital facts about the causes and the cure of the demoralized state of our national distribution. When I went into this business in 1915 the company was engaged in wholesale distribution; then we became manufacturers exclusively, and, having acquired a working knowledge of the problems of both factors, I am convinced of the truth of these two facts:

We are not going to get very far in unscrambling our distribution tangles until we educate the public in the simple economic principles of retail merchandising and of pricing goods fairly.

We are not going to get very far in educating the public until the manufacturers of nationally advertised and standard specialties forget their differences and cooperate in promoting extensive campaigns of fact dissemination.

It is so easy for manufacturers to sit back and blame the present condition on the chain stores. That is largely due to the old natural impulse to pass the buck—to sidestep the responsibility of solving a problem by blaming the other fellow. But we must remember that price-cutting, the cause of most of our present distribution troubles, was prevalent long before the chain store began to propagate some years ago. Price-

cutting has been the curse of legitimate merchandising ever since the ancient days of barter. For many years it has been recognized as unsound and uneconomic, unfair in many instances to both the manufacturer and the public, an imposition on the consumer and a costly burden to good business; but it will continue to be practiced as long as it can be successfully employed in bringing people into the stores and encouraging them to make profitable purchases.

We manufacturers have spent hundreds of millions of dollars in encouraging the public merely to buy our goods—not to buy them properly, economically. Many of us have labored under the mistaken belief that our profits are the result of sales instead of orderly merchandising, and in advertising our goods on this basis we have failed to protect the values we have created and have thereby encouraged the thing that is now robbing us of profits, increasing our selling costs, demoralizing our distribution and decreasing our advertising returns.

Obviously, we must change our viewpoint, and solve the problem by placing the facts before the final

judge, the public. We must realize that how the public buys is as important to us as what the public buys, and govern our merchandising and advertising activities accordingly.

There is no doubt that ours is the most intelligent buying audience in the world. Just as certainly, the American people are capable of promptly answering fairly and accurately any important question, when they understand the salient facts regarding it. The subject of demoralized distribution due to price-cutting is of vital importance to the public, and I know of no greater necessity at this time than a complete disclosure of the facts.

No business man who advocates clean and economic business methods need have any fear as to the outcome. Nor is it necessary for us to bother with the intermediate problems of the wholesaler and the retailer. The set-up of our entire distribution machinery is predicated on the demand of the public, and it will be readjusted promptly and effectively as soon as changes in the public demand are manifested.

And when a sufficiently large part of the public is conversant with the



Edward Plaut

facts of distribution, two things will happen. Consumers will make the practice of price-cutting highly unprofitable by confining their purchases exclusively, in the cut-price stores, to standard goods that are used as loss leaders. And still larger numbers of the public will confine their buying to stores which price *all* goods fairly.

It is only by making price-cutting unprofitable that the practice can be stopped, and it is only by educating the public that price-cutting can be made unprofitable. It will not cost any manufacturer a single extra dollar to bring this desired end about promptly. While it appears to be a colossal job to change the buying habits of a large part of the people of a nation, it can be accomplished readily by concerted action. All it requires is the expenditure of present advertising appropriations in disseminating the facts of retail distribution.

It was to prove these statements that my company recently began a campaign of its own. We realize, of course, that the job is far too big for one manufacturer to tackle alone successfully. But we wanted to determine the best means of getting the message of clean merchandising to the public, and to establish the facts with which to convince manufacturers in various lines of the necessity of co-operating with each other in their educational campaigns.

For this purpose we are spending a large sum in addition to our annual advertising appropriation. As manufacturers of an old and widely sold line of toilet preparations, including three that are internationally advertised—Pebeco tooth paste, Hinds' Honey and Almond Cream and "Lysol" disinfectant—we believe that it is proper for us to demonstrate the

only possible method we know of to correct a serious industrial evil that is supported only by a general ignorance of merchandising facts.

Our campaign consists of five full-page advertisements, and they are running in two popular magazines of large circulation. The first advertisement appeared July 19, and with the copy we attempted to briefly state the fallacy of price-cutting. Although we hope to stimulate the sale of our own products with the campaign, we consider it largely as a donation to a cause, and in all of the advertisements we state that they are contributed in the interests of fair value to the consumer, fair profit to the retailer and fair profit to the manufacturer.

Unmasking Price-Cutters

Our first piece of copy frankly admitted that retailers sometimes consider it good merchandising to offer the reader our own popular products at prices very close to wholesale cost—often even less—and further explained:

"This is done to get you into the store in the hope that, before you leave, you will also buy *overpriced* non-essentials, which is unfair."

Also, while this first advertisement acknowledges that the use of our products as trade lures reflects their usefulness and popularity, we express regret for the practice, explaining that our business progress rests solidly on the policy of fair values and fair profits. Then we give the weight of our advertising influence to those retailers who conduct their merchandising on a sound basis, and I am sure that it would repay all legitimate manufacturers to support and encourage those retailers who are doing what they can to combat price-cutting. In our advertisement we accomplish it in this way:

"Lehn & Fink, Inc., recommends your support for druggists who make a fair profit on *all* merchandise they sell, thereby making you confident that in *every* article you buy you are receiving *fair value*."

In our second advertisement we explain the fallacy of price-cutting under the heading: "50,000 druggists can't be wronged!" We discuss the plight of the average independent druggist and inform the reader that it is impossible for the retailer to serve in the thousand-and-one ways in which only a druggist can serve, and yet sell standard merchandise at prices very close to wholesale cost. "This is destructive merchandising," we assure the reader, and then explain that 50,000 druggists can't be wronged by it, that they must gain a living profit from *all* items, or make up on some the profit they lose on others. Then, in bold italics, we suggest this way out:

"Buy only merchandise of assured value. Expect to pay a reasonable price for it. Patronize the store at which you know all values are fair. Encourage your druggist when he prices all merchandise so as to allow himself a fair, living profit on each item."

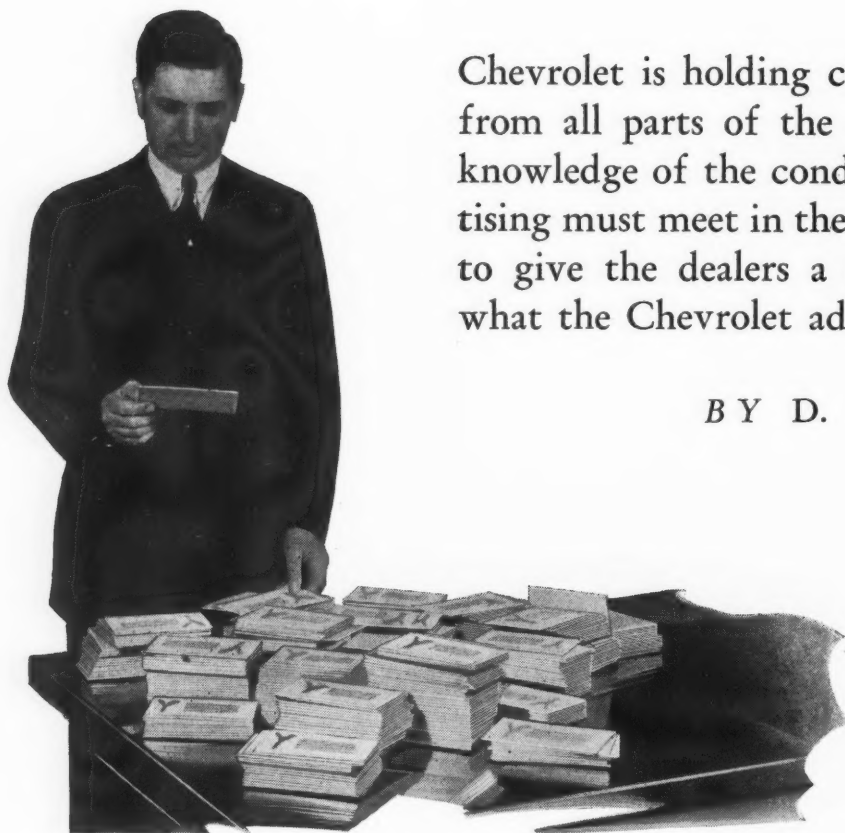
Under the heading, "Suppose your weekly wages were cut 20 per cent," we cover much the same ground from the druggist's viewpoint in the third advertisement. We try to show that the practice of price-cutting is destructive to both the druggist's and the consumer's interests, and that it requires standard, advertised products to "carry the load" for merchandise of unknown brands and uncertain value. And we conclude the copy with this appeal:

"If you believe in the American doctrine of fair play, in the humane
(Continued on page 260)

"We manufacturers have spent hundreds of millions of dollars in encouraging the public merely to buy our goods—not to buy them properly, economically. Many of us have labored under the mistaken belief that our profits are the result of sales instead of orderly merchandising, and in advertising our goods on this basis we have failed to protect the values we have created and have thereby encouraged the thing that is now robbing us of profits."

—EDWARD PLAUT.





Chevrolet is holding conferences with key dealers from all parts of the country to gain first-hand knowledge of the conditions the company's advertising must meet in the field, and, at the same time, to give the dealers a thorough understanding of what the Chevrolet advertising is doing for them.

BY D. G. BAIRD

H. J. Klingler, vice-president in charge of sales of Chevrolet, who with W. S. Knudsen, president, takes part in the afternoon sessions of the dealer advertising conferences.

Why Chevrolet Gives Dealers a Voice in the Advertising

SOMETHING new in the way of dealer meetings is being used by the Chevrolet Motor Company, Detroit, in a unique series of advertising conferences with selected groups of dealers from all parts of the country, for the express purpose of better acquainting them with Chevrolet advertising and advertising procedure and of encouraging them to offer suggestions as to how and in what respects they think this advertising might be made more specifically helpful to them in meeting the practical, day-to-day sales problems in the field.

These conferences are being held at the home office of the company in Detroit, one each month, under the general supervision and direction of R. K. White, advertising manager, and are attended by representative Chevrolet dealers from all parts of the United States. These dealers come in at the invitation and at the expense of the advertising department.

The personnel of each group consists of fifteen to twenty dealers who have been carefully chosen to represent an

ideal cross-section of the advertising needs of all classes of Chevrolet dealers, in all parts of the country. Some are chosen because they are located in big cities and have large car contracts, others because they are located in small towns and have small car contracts. Instead of selecting one group from one part of the country and another from another part, care is exercised to make each group representative of the entire country.

It is expected that approximately 240 dealers will have taken part in these conferences by the end of the year.

"The object of these conferences is twofold," Mr. White explained, "to acquaint the dealers better with Chevrolet advertising and advertising procedure and to keep the home office constantly in touch with the problems faced daily by the dealers so that our advertising may be guided by actual existing field conditions and, therefore, made as effective as possible.

"For the past several years we have carried on a cooperative advertising

plan with our dealers. This cooperative advertising appears in approximately 6,700 newspapers and includes one of the largest outdoor advertising schedules maintained by any company. All this advertising appears in the dealers' own territories, over their own imprints.

"We have long had the kinks pretty well ironed out of the plan, yet some dealers are still under the impression that the money they pay for this cooperative advertising goes into a kind of pot and is disbursed pretty much as we see fit with little regard for the exact amount each dealer contributes and, consequently, for the amount of advertising to which he is entitled.

"As a matter of fact, the Chevrolet Motor Company and its advertising agency keep an accurate and detailed record of every one of the more than five thousand dealer advertising accounts and every dealer gets all the advertising he pays for, plus the additional amount for which the company pays.

"We show the dealers these records during the advertising conference and

they are amazed in many cases when they learn that we can show any Chevrolet dealer exactly how much he has contributed, how much of that has been spent, what it was spent for, and how much there is left to his credit. We can go further and show him the cost of different mediums in different classes, as well as in the same class, and the relative effectiveness of each medium. We can tell him the circulation and rates of his local newspapers, how many people see his outdoor posters, and how much advertising he has had during any given period. By the time the delegates learn all this they are thoroughly convinced that their advertising dollars are being spent to the best possible advantage.

Invite Suggestions

"This, however, is only one of the things we show them. We show them our advertising, past, present and as far into the future as we can go. We show them our newspaper copy, our posters, our slide films, our direct-mail, electric signs, trade paper and national-magazine advertising. We show them how an advertisement is created and the many steps that are necessary before it reaches the prospect. We explain why our advertising is what it is; why we use the kind of copy we do and why we use the mediums we do.

"At the same time we realize that these dealers are constantly facing practical sales problems in the field and that they know better than anyone else just what kinds of sales resistance must be overcome. They know very little about advertising, but they do know that our advertising should help break down these different kinds of sales resistance. They know, too, what the reaction of their prospects is to our advertising and they may think that this reaction would be more favorable if our advertising were somewhat different.

"In this connection it is worthy of note that we maintain sixty-one sales executives in the field and that our advertising agency also employs a corps of field men to keep in constant touch with actual conditions. Nevertheless, we are getting a better understanding of the dealers' viewpoint and attitude from these conferences than we could possibly get in any other way.

"We encourage them to express their opinions freely and many of them do so. We ask them specifically what they think of our new car advertising, our used car advertising, our copy, our illustrations and other features. They have already offered sev-

eral helpful suggestions and no doubt they will offer others as the conferences continue.

"For example, several delegates expressed the opinion that a more effective theme could be adopted in our used car advertising. We immediately sent trained men out to call on leading dealers all over the country and ask them what they thought of the suggestion and, as a result, we are changing the theme of our used car advertising.

"Others suggested that we emphasize economy more. Many prospects are aware of the fact that the Chevrolet is the most economical car on the market. But many think that because it has six cylinders it must be more expensive to operate than a car



R. K. White

that has only four cylinders. We are also acting on this suggestion.

"Durability, price and speed are some other themes that have been suggested by dealers."

Each conference is of two days' duration and all proceedings are entirely informal, Mr. White said.

"We make no attempt to 'gas' them to death," he added. "We want them to do much of the talking. We know most of them personally from previous contacts in the field and we start right in to make them feel at ease.

"One thing that does more, perhaps, than any other to accomplish this purpose is the attitude we take on money matters. In our first informal meeting I tell them if they need any money or wish to cash a check just to tell me and I'll take care of them. Then I add that they are our guests while here, we want them to enjoy their visit and when they get home they can just write me a letter stating the total expenses in-

curred, without bothering to itemize them. An occasional dealer might pad his expense account a little, but I doubt it, and even if he did, I think the favorable impression made in this way would well repay us."

The first of the two days is given over entirely to the discussion of advertising, with major emphasis on newspaper advertising, because by far the largest share of the budget is invested in this medium.

W. S. Knudsen, president of the company, and H. J. Klingler, vice-president in charge of sales, take part in the afternoon session.

On the morning of the second day the dealers visit the agency which handles their accounts, and in the afternoon they are taken to the General Motors Proving Ground, near Detroit, where they are shown the rigid tests Chevrolet cars undergo.

It is said that while they are here many of the dealers stay over several days and take advantage of this opportunity to visit the several Chevrolet factories in Detroit and nearby cities.

Then when the chosen ones return home they tell other members of their local Chevrolet dealers' association all about the trip, and the benefits of the conference are disseminated throughout the dealer organization.

New Orleans Grocers Will Fight Chains with Advertising

Through the recently organized Food Dealers of New Orleans, 250 independent retailers and wholesalers there have completed plans for a \$35,000 cooperative advertising program to combat the growth of the chains. The program will be in charge of Fitzgerald Advertising Agency. Advertising will start next week.

The appropriation, it is said, will be larger than the total amount of money now being spent in New Orleans annually by the chains. Since there are only 218 food chain units there, the number of establishments in the Food Dealers' organization already is larger. Merchandising experts will aid the dealers in rearranging their stores. "The success of chain stores is due only to a lack of independence on the part of individual retailers and wholesalers," explained William J. Smith, president of the New Orleans Retail Grocers' Association, at a recent organization meeting. "The chains have no patent on anything that has made them a success."



With a product even as prosaic as milk bottle caps new selling points can be developed continually. Special Christmas caps are part of this manufacturer's merchandising plan.

A Sound Sales Policy Saved This Patented Product

ALARGE part of the public, apparently, assumes that a patent on some useful article is charged with a selling power that will roll up almost unlimited profits, if enough money is invested in it to furnish adequate production. Because of this assumption, the millions of dollars that have been invested and lost in patent enterprises are incalculable. And a study of a number of successful small companies that were organized to manufacture and sell patented articles proves beyond question that success is never solely the result of patent monopoly, but invariably follows, as in any other business, the practice of effective merchandising methods based on equitable business policies and sound economic principles.

Among the number, the development of the American Dairy Supply Company, of Washington, D. C., is both interesting and significant, because the concern suffered most of the vicissitudes of similar companies before it won success. Organized in 1905 for the purpose of manufacturing and selling a patented milk bottle cap made of cardboard, the original company struggled along for several years and lost most of the limited capital invested in it. After a reorganization the present company took over the patents on the machine and finished product with the other assets, paying for them with stock, and now occupies a small model factory located within a few blocks of the Capitol building.

The new organization found it necessary to improve the machine for

Even the best of patents is no guarantee of sales success, the experience of the American Dairy Supply Company shows. The product has to be well merchandised and intelligently advertised. This is the third of a series of articles on small businesses that have made good against heavy competition.*

making the product. This was soon accomplished; but in 1910 the company again found itself on the ragged financial edge and called in Joseph A. Burkart as counsel to assist in another reorganization. Fortunately Mr. Burkart's experience as a lawyer had been largely in the business field. In 1914 the company elected him president, and has continued to reelect him every successive year. The same year the first dividend was paid and the company has continued to show a steadily increasing profit ever since.

During a recent interview the first question answered by Mr. Burkart concerned the reasons for the failure of the original company. He explained that, as with many other owners of patents, the organization went ahead before their machine was perfected, and that they lacked the fundamental knowledge of merchandising to make the proposition a success.

"There was no doubt in my mind," he continued, "that their plight was largely due to the demoralizing ills that invariably follow factional differences, and our first decision was to eliminate one of the two factions. A large company, because of its momentum, may be able to progress against

the handicap of political scheming and factional differences; but I know of nothing else so fatal to the success of a small organization.

"After several months, when we had cleaned up our personnel and had built up an organization that would work harmoniously for the good of the company, we laid our plans for the future. We knew we had a product that could be merchandised extensively, although, even in 1911, the field was crowded, and a number of manufacturers have entered it since then. For some reason the milk bottle cap industry has attracted many experimental ventures, and we have always realized that one of our principal problems would be to keep ahead of the keenest kind of competition.

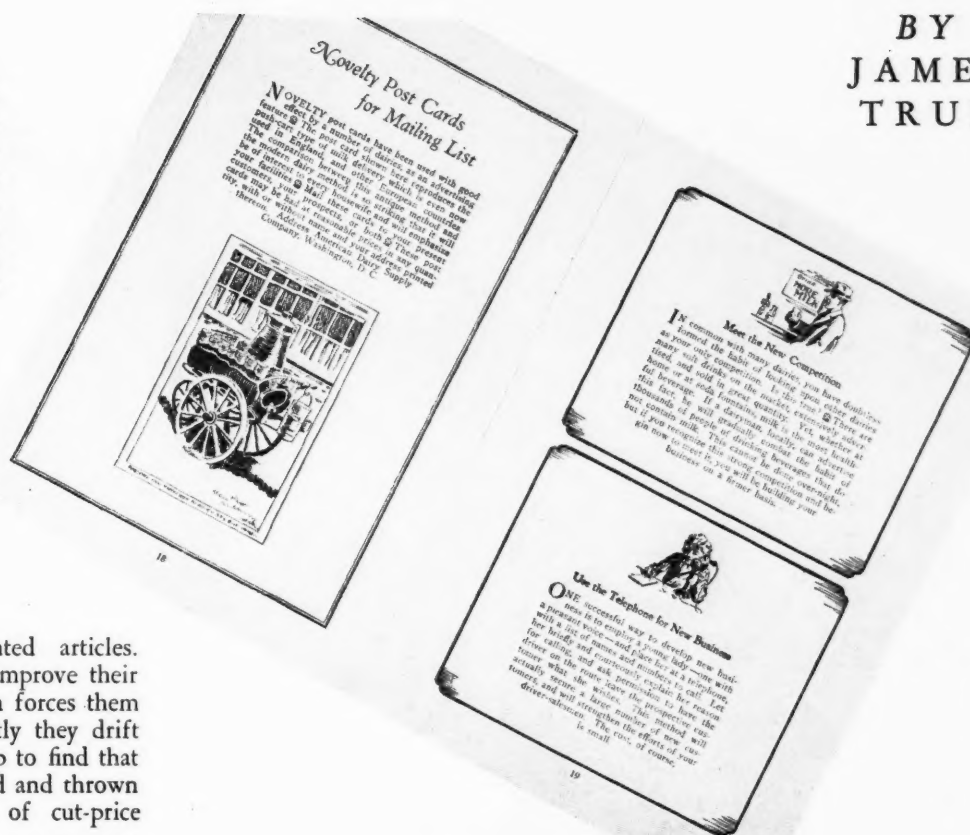
"Our cap has certain advantages that are covered by patents; but the company had lost much of the life of the first patent rights, and we anticipated the time when our original patents would become public property. Therefore, we have spent a great deal of time and money in improving both our product and the machine that produces it automatically.

"In this we have avoided a mistake that is rather general with small

*Other articles appeared in SALES MANAGEMENT for May 24 and June 7, 1930.

"The Very Idea," a twenty-four-page booklet, presents ideas for improving nearly every department of the dairy business, with only two pages devoted to the merits of the "Certified Cap with the Red Flap."

BY
JAMES
TRUE



manufacturers of patented articles. As a rule, they do not improve their product until competition forces them to do so. Too frequently they drift along until they wake up to find that their patents have expired and thrown them into a scramble of cut-price competition.

"While our product has remained the same in principle, we have improved it from time to time ever since the present management took hold of the business. Of course, we have patented these improvements, and for this reason I feel sure that our cap is as well protected today as it was by the original patent issued nearly thirty years ago.

"There is nothing more important in any business of the kind, to my way of thinking, than a continuous study of the product. Regardless of its usefulness, or how well it is protected by patents, the success of a product depends on how well it is merchandised, and the basis of all successful merchandising consists of good selling points. Even a minor improvement is a healthy spur to sales, and for this reason every patented article should be studied continually by those who are familiar with and interested in every detail of its distribution.

"Likewise, our machine has gone through a process of evolution that has a twofold value. By constantly studying its mechanism we have lowered our production costs and assured our protection. We now have fourteen machines in our Washington factory, and they were all built in our own machine shop, where our experimental work is carried on. We employ an inventor at the plant who spends all of his time on our work, and we frequently employ mechanical engineers and other specialists when

we have special problems to solve. And as a result our business has been kept up to date and a few laps ahead of competition. Our improvements have cost a great deal of money, comparatively; but the investment has paid, for every improvement has given us a product that is a little better and, for that reason, more salable."

A trip through the factory disclosed that a small business can be as complete in every necessary detail as the largest enterprise. Mr. Burkart called attention to the fact that the factory is as nearly completely productive as possible. The iron and steel castings for the machines are, of course, cast elsewhere; but all of the machining is done in the shop which is a part of the factory. The warehouse is located conveniently, and all materials are scheduled so as to give the best attainable rate of turnover.

In a small print shop a printer was busy setting type and bending rule for the advertisements on the caps. Next door, in a miniature stereotyping plant, a worker was casting the plates for printing the caps in one and two colors. In the factory the machines were rapping out bottle caps at the rate of about five every second per machine, and everywhere the impression was created that careful planning was responsible for a maximum of production with a minimum of effort.

Regardless of the completeness of the factory, however, and the perfecting of the machines and the product,

Mr. Burkart considers the merchandising of "Certified Caps with the Red Flap" as the most important factor of the business. He explained that the first essential of any small business is to establish and maintain a fixed policy, and continued:

"If there is any doubt regarding the necessity of a fixed policy for success, it belongs exclusively to big business. The management of a small factory cannot afford to change from equitable and sound standards of practice, for exceptions to a good business policy make enemies, and a small business must have friends if it is to succeed.

"In the matter of prices, the management is frequently tempted to grant concessions; but I am convinced that all forms of special and secret discounts are costly expedients in the end—too costly for the small business to tamper with. So we have but one scale of prices, granting discounts that increase with the volume purchased, and every customer and prospect receives the same price lists. We play no favorites, and no order is so desirable as to induce us to depart from our policy.

"In distributing his goods, the manager of a small business is likely to attempt too big a job. He sometimes considers the margin of the wholesaler and thinks he can sell his goods at a saving and with better results;

but usually he ultimately finds that his selling cost has eaten up his profits, and, to make matters worse, that he is 'in bad' with the logical distributors of his merchandise.

"Our business has convinced us that any small factory had best utilize the established machinery of distribution. Our product, which is sold by the wholesaler to consumers—dairymen and others—is more difficult to distribute than one that is sold to and resold by retailers. Our cap is the highest-priced product of its type on the market, and a high price offers more sales resistance when price is an expense, as it is with our final customers, than when the product is resold by dealers at a profit.

"But regardless of where the product finds its outlet, the small manufacturer cannot expect wholesale distributors to take it on and sell it without some special inducement. Since it is poor business and impracticable to offer price inducements, the wholesaler should be given an opportunity to enjoy the fruits of his effort after he has built up the business in his territory. So we have distributed our product through selected dairy supply houses. These wholesalers, knowing that we would protect their interests, have not only supplied the demand we have created, but have also specialized on the sale of our product and have given us an excellent selling service."

Developing New Uses

It will also pay most small manufacturers to study the possibilities of new uses for their products, according to Mr. Burkart. For some time the company made no effort in this direction; but in recent years it has found a means of materially increasing its volume by developing caps for water bottles, honey containers, gas masks, face cream jars, germ containers and other laboratory equipment, individual cream bottles used by hotels and dining cars, and paper containers for cottage cheese and many other food products. For this purpose the company has developed a special machine that will turn out any size of bottle or container caps, from less than one to nine inches in diameter.

When advertising was mentioned, Mr. Burkart said that he did not know how any small manufacturer could get along without it. In fact, the present business of the American Dairy Supply Company has been built up almost entirely by direct mail solicitation and advertising in trade magazines. The annual appropriation is now around \$15,000 for both forms of advertising.

"We have advertised very little to

milk consumers," Mr. Burkart said, "because they do not buy our product and their influence is too far removed from our source of business; but we advise every small manufacturer whose goods are bought by the public to use as much popular advertising as he can afford to buy.

"In the application of direct mail material, many small manufacturers with whom I have discussed the subject seem to look upon advertising as a rather expensive luxury to be bought in minimum quantities, and solely because their competitors use it. Consequently their advertising, lacking the motive of understanding, is not as effective as it should be.

"They also frequently make the mistake of attempting to use their advertising as a direct means of landing orders. But to our way of thinking the first reason for our advertising is to make our product wanted, and we can attain this result only by telling our prospects what our product will do for them in tending to create a larger demand for their goods.

From Prospects' Viewpoint

"Therefore, every piece of material and every trade journal advertisement we publish appeals to our prospects from their own viewpoint. We go far beyond our own selfish interests in this, and we have even published a large booklet which presents ideas for improving nearly every department of the dairy business, with only two pages devoted to the merits of our product.

"The only departure from this rule is in the advertising of seasonal and special caps. Before Christmas, for instance, we always issue a printed letter on Christmas greeting caps with samples enclosed, and then we quote prices and make a direct bid for orders. But generally speaking, I think the small manufacturer can get the best results from his advertising by telling the distributor and his customer just what the goods will do for them in the way of better demand, service or profits.

"Never a month goes by that we do not mail out a strong piece of educational advertising material, and we advertise consistently in the best of our trade magazines. Our direct advertising is in the form of letters, broadsides, booklets—anything that we think will carry our appeal for better and more profitable methods in milk distribution. We now have about 400 wholesale distributors, 3,500 dairymen, and 500 restaurants, hotels and railroads on our mailing lists.

"The same principle is employed in our personal solicitation. Our two

factory representatives do not solicit orders. Their work is to educate the salesmen of our distributors and to show dairymen how they can improve and increase their business by using 'Certified Caps with the Red Flap.'

"Due to our merchandising methods, in about twenty years our business has grown from a few million caps to approximately one billion annually. In 1925 a branch factory was established in London. A year later one was started in Toronto, and in 1928 we found it advisable to place several machines in Kansas City, Missouri. These three plants are operated independently and use our machines on a rental and royalty basis. Our caps are now used throughout continental Europe and in practically all of the civilized countries of the world.

No Depression Now

"Today, when there is talk of business depression, we are working a double shift and have more than seventy-five people on our payroll. Looking back we find that we could easily have avoided the losses, trials and tribulations of our early history, if the old management of the company had realized that there is no inherent selling power in patents and that success is impossible without proper organization.

"In dollars and cents, our annual volume appears to be small when compared with the figures published by many large companies in other lines; but our business is on a solid foundation and promises to continue to produce satisfactory profits for many years to come. If we have learned anything at all, it is that, regardless of our patent ownership, our business is very much like any other, in that our success depends almost entirely on progressiveness in every department, a fair and equitable policy, sound business principles, and energetic and intelligent merchandising.

Skelly Appropriation Nears \$1,000,000

Nearly \$1,000,000 will be devoted to advertising this year by the Skelly Oil Company, El Dorado, Kansas, for its petroleum products for motorists and for Skelgas, a compressed natural gas for homes off the gas mains, Chester C. McCracken, advertising manager, announced this week.

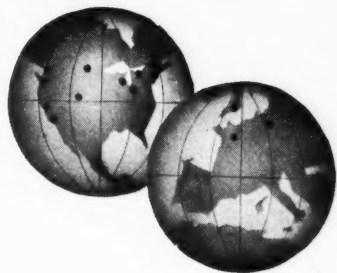
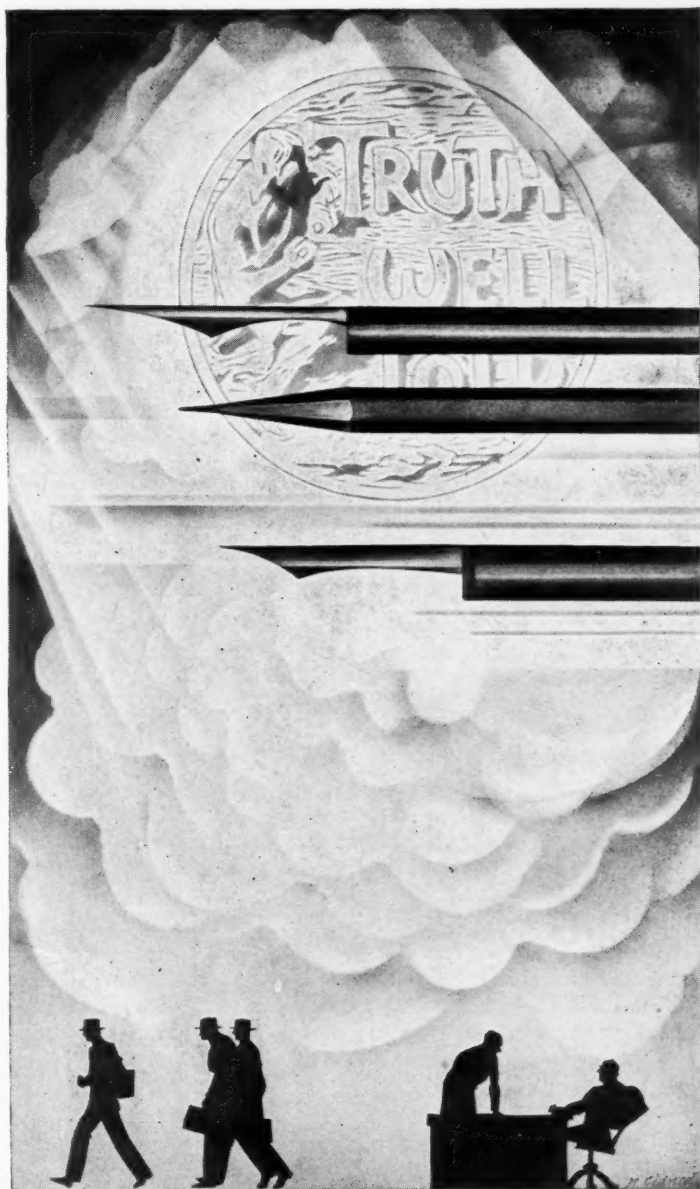
The appropriation, covering news and farm papers, the radio, highway boards and other media, represents an increase for the sixth consecutive year. Ferry-Hanly Advertising Company, Kansas City, directs the account.

THROUGH MANY BATTLES ◦

We have several clients whom we have served continuously through as many years as it takes a child to be born and enter college. The business victories we have helped them win have not been single engagements, but the sum total of assaults on many fronts.

Steadily to push the line forward through the years calls for changing weapons and tactics, fresh troops, learning from defeats as well as from successes.

After eighteen years of such campaigning, we are today sitting at the council tables of over one hundred and twenty advertisers and marching out with them for their industrial battles from fourteen offices here and abroad.



The
H. K. McCANN
Company • Advertising

NEW YORK • CHICAGO • CLEVELAND • SAN FRANCISCO • DENVER
SEATTLE • LOS ANGELES • TORONTO • MONTREAL
VANCOUVER • WINNIPEG • LONDON • PARIS • FRANKFORT O. M.

Research and Its Medicine Men

BY WILLIAM BRAID WHITE

Director of Acoustic Research, American Steel & Wire Company, Chicago

Sales research cannot be pursued according to the same methods that apply in other types of research, this writer points out, but the spirit of the work must be the same. That which does not consider the variable human element is futile, he declares.

IN the field of business today the word "research" is in danger of becoming a fetish. Human nature being what it is (whatever in fact that may be), and the desire for immediate practical results translatable into terms of money profit being so tremendously powerful throughout the commercial world, business men, with astonishing faith and confidence, seem always to be seeking some method or principle which, once discovered, shall resolve all difficulties, settle all questions, eliminate overhead, destroy sales resistance and guarantee a satisfactory rate and volume of profit. Thirty years ago the business world thought it had found this magic potion in the principle of merger. Those were the days of the great trusts. Yet today it is very generally admitted that the mere bunching together of business units has not solved, and never will of itself solve, business problems.

About fifteen years ago the business world again thought it had found a magician with a new magic. This time the magician was Taylor and the new magic was efficiency engineering. A good many readers of this article will remember, with rueful smiles, the fairy dreams conjured up by the efficiency engineers, few of whom either understood or could have carried out rigorously the sound scientific principles of management which Taylor formulated and taught. But while it lasted it was a great game. Suddenly factories everywhere were found to be swarming with time-study, motion-study and process-study experts, armed with stop

watches, and bent on finding out how long each operative took to do this or that operation, how many motions each one used, and why; how often a man stood up and reseated himself, what color of sweater he wore and why . . . and so on *ad infinitum*. "Efficiency," so we all believed, was going to end all our production troubles, turn every factory into a scientific laboratory and every operative into a calm, perfected, automatic machine.

Just now, to judge from all appearances, a third great fetish is being erected before our eyes. Already the business world bows down before it. Already a ceremonial, almost a religion, is being established for its due honor. The name of the god is science and its ritual is research. The new magic has arrived and wonder-working has already begun.

Certainly it is an attractive and a plausible potion which we are now engaged in quaffing so enthusiastically. Pure science, originally pursued solely by men interested in the advancement of knowledge for its own sake, has found itself within the last fifty years more and more becoming the basis of all mechanical work, and even of all management. Engineering is the application of pure science to material things for practical purposes. Engineering today dominates our world, and the cry everywhere goes up that since science is wonderful enough to give us all of these things, it must be wonderful enough to give us everything else that we may need. There is but one god, who is science; and research is his prophet. So cry the

faithful everywhere, while the new religion prospers exceedingly and flourishes, like unto the green bay tree.

In these circumstances thrice unhappy is he who for conscience's sake must throw cold water upon these warm enthusiasms. For, as one who is engaged in research, who indeed is paid to carry on scientific work for a great corporation, I must insist on my right to enter a caveat. I say, then, that the tendency to make the word research a fetish in the business world can only spell disillusionment, disappointment and ultimately even disaster.

For what is scientific method after all? It is the application of certain definite processes to the elucidation of old facts and discovery of new, within such fields of inquiry as may be suited to it. The processes are (1) observation, (2) hypothesis, (3) experiment leading to (a) establishment, (b) modification, (c) rejection of the hypothesis, or (d) framing of a new one; and (e) continued testing of the established hypotheses until either they have become firmly established or have yielded to others.

Methods of Pure Science

The method is impersonal, impartial, detached. It has nothing to do with human values or human desires. What can be verified by the most persistent and delicate tests devised specially to expose error may be accepted; but always only upon the understanding that it is instantly to be rejected if and whenever new facts arise to contradict it. In a word, scientific method is a method of constant search, test and selection. It cares no more for favorite theories than for favorite dreams. It is perfectly applicable to the field of pure knowledge, which is cultivated impartially, because here impartially correct results and no others are wanted.

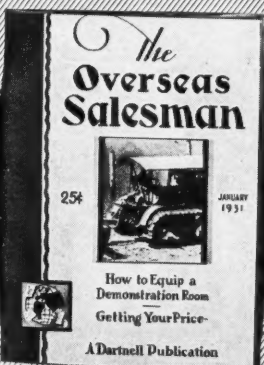
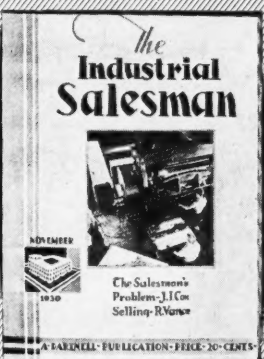
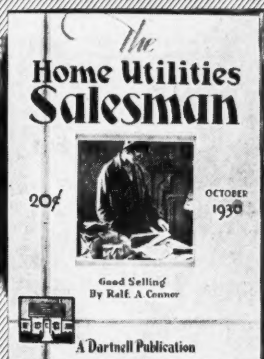
It is not, however, necessarily the method to be used where human desires, fears, enthusiasms and passions are involved. In a word, the laboratory method of research, which has made possible a wonder like the modern low-priced automobile, the long-distance radio set, the broadcasting station and the measurement of the dimensions of the Milky Way, is not by any means necessarily or even probably the method to be used in determining the human problems of merchandising. It is not even necessarily the correct method to be applied to problems of merchandising which are intended to be solved in and by impartial and impersonal methods. Thus, statistical surveys of markets,

Moving Your Product Off the Dealer's Floor

To sell the dealer is not enough. Repeat orders depend upon the sales effort and enthusiasm that the dealer—and his salesmen—put behind it.

These magazines provide manufacturers of equipment that requires creative selling with a means of getting salesmen to put more effort behind a product.

The editorial pages will quicken the salesman's desire to do something more than merely take orders—the advertising pages will suggest *concrete* ways of transforming this desire into action.



THE OFFICE EQUIPMENT SALESMAN

Reaching 5,000 leading office equipment dealers and their salesmen. Gives them practical ideas for increasing their sales of the higher priced equipment which requires creative salesmanship. First issue to be published September, 1930. \$2.00 a year. Advertising rate \$125 a page.

THE INDUSTRIAL SALESMAN

Reaching 4,000 plant equipment dealers, mill supply jobbers and salesmen selling to industry. A practical, sales-stimulating magazine, bringing to salesmen in this field ideas and suggestions which will help them to increase their production. \$2.00 a year. Advertising rates \$125 a page.

THE HOME UTILITIES SALESMAN

Reaching 7,000 important distributors of electrical and other appliances sold to the home. Also a carefully picked group of salesmen employed by these distributors. First issue to be published October, 1930 and monthly thereafter. \$2.00 a year. Advertising rate \$150 a page.

THE OVERSEAS SALESMAN

Reaching 4,000 importers and distributors of American-made equipment abroad, bringing to these overseas salesmen sales-making ideas especially selected for worldwide adaptation. \$3.00 a year. Advertising rates \$150 a page or \$75 in combination with any other publication in this group.

Also Offering a Group Advertising Coverage of 20,000 Salesmen at General Rates

The DARTNELL CORPORATION

ALSO PUBLISHERS OF "PRINTED SALESMANSHIP" AND THE DARTNELL SERVICE FOR SALES EXECUTIVES

4660 RAVENSWOOD AVENUE

CHICAGO, U. S. A.

what in general is known as market research, cannot possibly be pursued by any strict laboratory method, simply because in this method one can only proceed as fast and as far as one can control the conditions in which the work is done. The moment one ceases to be able to control the conditions, one's conclusions cease to have any value.

Now it is fair to say that production problems, especially in the mass industries, are yielding or have already yielded to engineering studies and methods based upon pure scientific research to an extent which entitle us today to speak of the "science" of production. Here the application of strict scientific method has been very fruitful. So, too, in those industries which have been making use, during recent years, of an elaborate and carefully worked out scientific method of deliberately seeking new instruments, new appliances and therefore new uses, for electric energy. The wonderful achievements of the Bell Telephone laboratories in dealing with problems of speech transmission, or of the Westinghouse and the General Electric research laboratories in improving existing appliances and in working out new ones in the heating, lighting, refrigerating and acoustic fields, are by now familiar to all. Here the organization of research has been carried out to a point of complexity and subtle efficiency hard to surpass.

Still in Dark Ages

On the other hand, in the field of distribution, of sales, of creating markets, selling output and building up buying desire among the one hundred and twenty millions of our public, we are all still very much in the dark ages. Advertising is bought eagerly enough; but advertising methods remain superficial and wasteful, judged by any engineering standard. Here, in the field of distribution, if anywhere, research should seem to be needed. But again, a word of warning is necessary. The scientific method, impartially working in the field of material things and material relations, cannot handle with any success problems which arise from fields whose principal fruit is the mysterious mind of the individual or of the crowd. Psychologists of the modern quasi-physical schools may say what they please; but they must confess, if they be candid, that laboratory experiments under controlled conditions do not throw much light on why men buy or refrain from buying, what men, or, even more, women, are likely to want, and what to spurn.

Here, if a worker in the sciences may venture an opinion, research is needed and needed badly.

But what kind of research? Certainly not the kind which business men vaguely envisage as being done by white-coated savants in white-walled laboratories with test-tubes and balances. The *spirit* indeed must be the same in its impartial search for truth; but the *method* must be based on the fact that the subject of investigation is uncontrolled and largely uncontrollable, is in fact human and not mechanical. Merchandising research calls for men who can work in human values, which are not to be learned in laboratories. Neither are they to be learned by men whose sole training has been out in the sales field, chaffering with dealers and attempting to carry out the orders of men who sit at desks and dream dreams.

Business has learned the value of research in making possible the scientifically organized production of material goods. It has learned to apply to experts in these matters; and to some extent has been willing (though by no means willing enough) to let these experts have their own way. But business must not only work now to create a race of merchandising engineers. Business must also learn to give to these men, when it has evolved them, something like a free hand. It must learn that sales research, like laboratory research, can be successful only in so far as those who pay its bills are content to wait for

the results. If the A. T. & T. interests had tried to run the Bell Telephone laboratories on accepted business principles (so much money for so much result, guaranteed or no pay), they might have saved themselves some expense during a number of years; but they would not now be offering to you and to me fool-proof telephone communication with London, Paris and Berlin.

Research neither does nor can guarantee "results." Give research men their own time and they will produce results, in heaped-up measure, pressed down and running over. Insist on time limits or on so much result for so much money in so much time and they will fail utterly. So will market or sales research men, if and when business learns to use them.

As I have said, it will not be the narrow laboratory method of work within delimited fields, but the scientific spirit of impartiality, quietness, truth seeking and truth telling which will conquer the business problems of tomorrow. Business more and more must become scientific; but first it must learn the great truth that scientific research is neither a panacea nor a potion, but a spirit, a way of work and a principle of investigation. Business must learn that while research brings profit, it cannot be worked as profit-making is worked. Not magic but method, not "results" but truth: this is the meaning of science. And this must be the guiding spirit of merchandising tomorrow as it has become of production today.

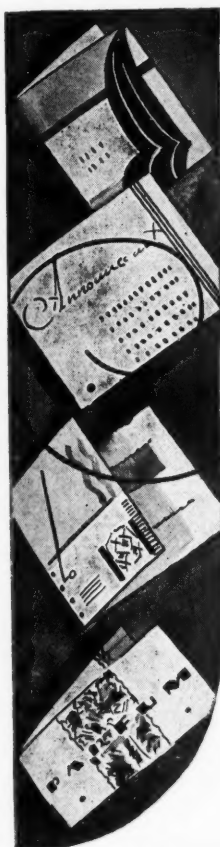
Pepperell Booklet Sells Salesmen While They Wait

SELLING Pepperell fabrics and products to salesmen who come to sell to the Pepperell Manufacturing Company is the primary objective of a recently issued booklet. This booklet, part of the information desk equipment at Pepperell plants, is handed to each salesman who visits a mill, and is designed to be read during his waiting time.

The booklet points out other material on Pepperell products to be found on the table of the waiting room and urges the salesman to look over these booklets and take those which appeal to him or which might appeal to his friends or relatives. "Personality Bedrooms," a booklet prepared for the Lady Pepperell radio audience, has been distributed to 75,000 women and is interesting to every home maker, according to this booklet.

Informing salesmen of the scope of Pepperell activities is another of the functions of the booklet. It points out the wide variety of products, numbering 500, which are sold by the Pepperell company. A perusal of the booklet, with its appended list of the principal products of the company, will give the salesman a clearer picture of how his product may be utilized by the Pepperell company and may suggest new uses for it to the salesman. Salesmen are urged not to be discouraged if their product is not purchased, but to keep in mind its future possible use by Pepperell.

Courtesies extended to the salesman are also outlined in the booklet, which ends with blank pages to be used for notes. The representative is invited to make himself comfortable while waiting for an interview.



New VALUES in COATED PAPERS

○ Last spring there was a let-up from furious production. This gave us an opportunity to install an extensive new system of control. For clues to possible improvements not covered by this system, we went through every suggestion and criticism received in recent years. Only four basic changes were needed and these have been effected without change of price. Now *every* Cantine Paper gives top value in its class:

○ **A S H O K A N**
the finest coated book paper made for general catalog printing.

○ **C A N F O L D**
the No. 1 folding coated has been given a much higher finish, and the color has been changed from a pinkish caste to the more popular bluish-white.

○ **V E L V E T O N E**
the semi-dull coated unequalled for soft-focus illustrations.

○ **E S O P U S W H I T E**
book and post-card stock for big volume, everyday printing—given a much higher finish. Color slightly brightened due to heightened quality of coating.

○ **W A T E R T O N E**
the coated paper that takes water-color inks and gives offset effects on letterpress printing.

○ **H I - A R T S**
the double coated, extra-high finish paper for special catalog printing.

○ **L I T H O**
coated one side, the lithographers' famous stand-by.

○ **M . C . F O L D I N G**
the No. 2 folding coated, has been given a higher finish and greater body and folding strength.

○ **D U O - B O N D**
coated one side, the ideal paper for illustrated 4-page letterheads.

○ **C O L O R F O L D**
the coated colored folding stock that enables printers to use fine-screen halftones on covers and folders and get 2-color effects with a single impression.

○ **N I A G A R A**
the Cantine link between quality and price.

○ **Z E N A**
the magazine special, given the former Esopus finishing formula.

○ **E S O P U S T I N T E D**
coated book paper in colors.

Samples will gladly be furnished by any Cantine Distributor. **THE MARTIN CANTINE COMPANY.**
Mills: Saugerties, New York. New York Office:
501 Fifth Avenue.



NEW VALUES

Cantine's COATED PAPERS

ASHOKAN • CANFOLD • VELVETONE • ESOPUS • WATERTONE • HI-ARTS
LITHO • M.C.FOLDING • DUO-BOND • COLORFOLD • NIAGARA • ZENA

PLAN FOR WEEK ENDING		1930
A well planned week like a well planned structure of any kind will stand close inspection when completed and be a source of satisfaction to you		
TOWN	DEALER	PROSPECTS COLLECTIONS
MONDAY <small>In order to do justice to your work, yourself and Papec Machine Co. an early start on Monday is absolutely necessary.</small>		
TUESDAY		
WEDNESDAY		
THURSDAY		
FRIDAY		
SATURDAY <small>Plan Saturday. It must not be wasted. Papec is paying for your time Saturday.</small>		

Is the territory planned for this week thoroughly covered by good dealers that are working for you?
PAPEC MACHINE COMPANY :: Indianapolis, Ind.

SIGNED _____

This simple idea, lifted from the practice of scientific management, changed the habits of one sales force from looking backward into the healthy system of planning ahead. Perhaps you can use it.

A Plan for the Week Ahead Is Worth a Dozen Weekly Reports

BY BURTON BIGELOW

President, Burton Bigelow, Inc., Buffalo, New York

EVERY salesman hates to make out reports. He knows that there are but two kinds of reports anyway—orders and alibis. A carbon from the order book is all the report he needs to make on the first—and nobody will believe his report on the second—no matter what he says.

If it has ever been your good fortune to hop the Hummer and pile into a Pullman six nights a week, twelve months in the year, you know what a salesman means when he says: "—and now this damned report to write—what a waste of good time that is!!"

Of the information put in the average salesman's report, 80 per cent is wasted time. Not only wasted time for the salesman, but wasted time at the office end. Often, in smaller organizations, nobody ever reads these reports when they get them. And if they do, they seldom have any organized method of gathering the reported facts into any sort of mass abstract that will be of the slightest

aid to management in forming any general conclusion.

Management must have reports. And that is true of sales management, too. But half the dope they get is worthless—and that same amount of time could be devoted by salesmen to a much more important function, viz: *planning ahead!!*

The best report that a salesman can concoct is mostly dead facts. And the important point is—that while management must have reports—yet the act of reporting doesn't increase the salesman's effectiveness for the next day.

Any keen sales manager will tell you that if he could get his salesmen to thinking in definite terms about tomorrow while today is still here—well, he would have a sales force that would be hard to lick.

It was with this idea in the back

of my head that I recently told a surprised and partly dazed audience of salesmen that there were numerous nuggets of gold for them in the practice of scientific management applied to their jobs.

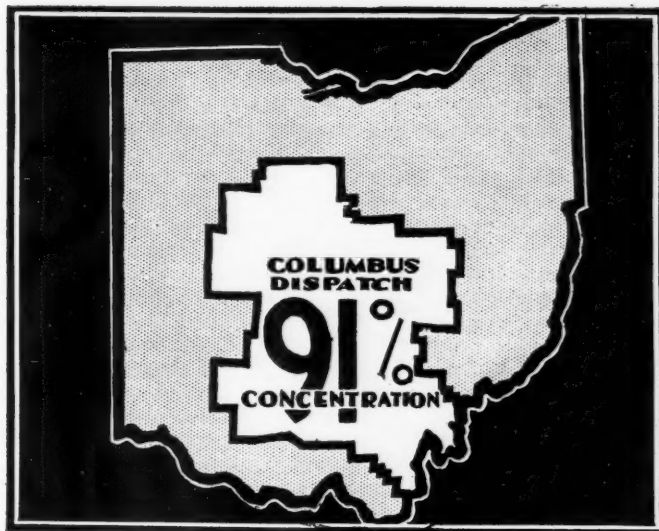
One of the fundamental precepts of the Taylor philosophy of scientific management—although it may never have been expressed in so many words—is this: "Separate your *planning* from your *executing*."

In other words, to reduce the thought to the simplest language: "Complete your *thinking* before you begin your *doing*."

To launch that subject with a bang, I asked the men before me (it happened to be on a Saturday morning) to answer a few simple questions suggested by Kipling's famous "honest serving men."

(Continued on page 262)

first
as usual
in
Ohio



The Dispatch is *always* First in Ohio ... and again for the first six months of 1930 ... Further evidence of the importance to advertisers of the rich Central Ohio Market ...

Stressing the productiveness of the circulation of The Dispatch in this area (over 91% concentrated)...

Enhancing the value of the exceptional home-delivery system of The Dispatch (4 out of every 5 copies sold in Greater Columbus are home-delivered)...

Emphasizing the fact that The Dispatch is again First in Columbus by 3,699,650 lines of total advertising, for the first 6 months of 1930 alone.

LINEAGE

First 6 Months 1930

- 1—Columbus Dispatch
9,110,856
- 2—1st Akron Paper
8,176,801
- 3—1st Dayton Paper
7,873,094
- 4—1st Cleveland Paper
7,849,005

Concentrate Where It Pays ... In

126,588 - daily
Columbus Dispatch

LEWIS B. HILL,
 Mgr. Gen. Advtg.

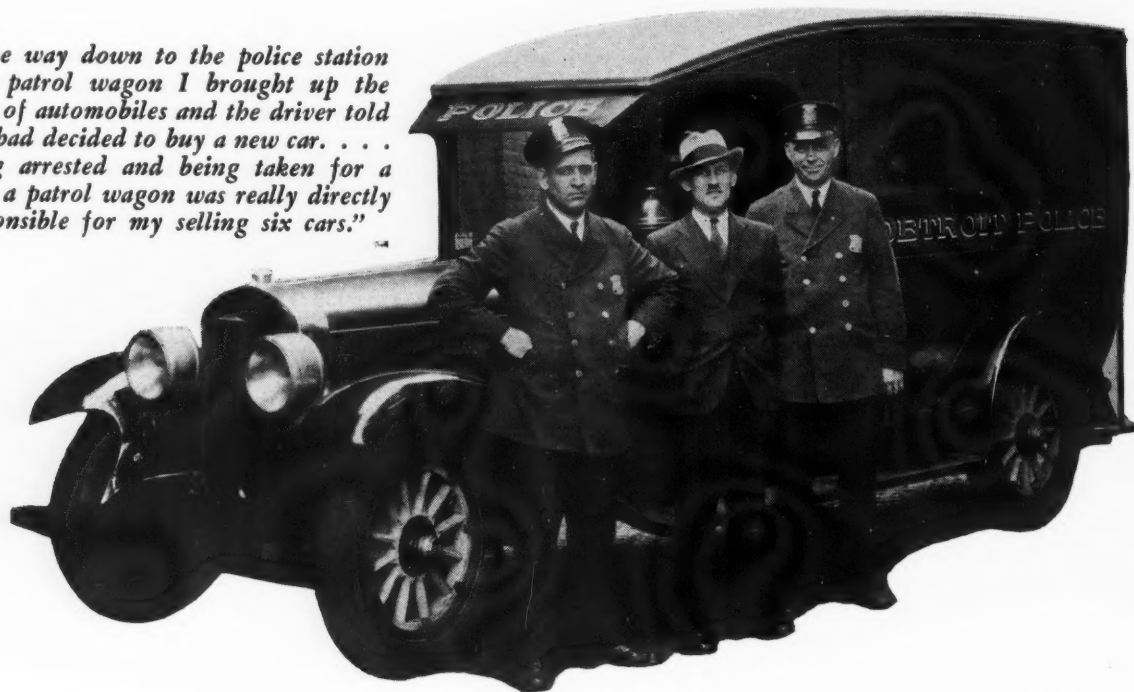
OHIO'S GREATEST HOME DAILY

Member 100,000 Group of American Cities

HARVEY R. YOUNG,
 Advertising Director

General Representatives—O'MARA & ORMSBEE, Inc., New York, Chicago, Detroit, San Francisco, Los Angeles

"On the way down to the police station in the patrol wagon I brought up the subject of automobiles and the driver told me he had decided to buy a new car. . . . Getting arrested and being taken for a ride in a patrol wagon was really directly responsible for my selling six cars."



One-Jump-Ahead Chandler

Who Proves That You Can't Stop a Good Man from Getting Orders—Even on His Way to Jail

THE fact that an alert salesman finds prospects everywhere and in all circumstances was exemplified in the case of A. Spring Chandler, automobile salesman for the Marmon-Detroit Company, who recently sold six automobiles as a direct result of being arrested, and taken for a ride in the patrol wagon.

Chandler is one of the leading Marmon salesmen in Detroit where he has been employed by the local factory branch some two years. He has been selling automobiles for about eight years and he has learned that practically everyone is interested in automobiles. He, too, is interested in automobiles, hence he never misses an opportunity to bring up this subject of mutual interest in his contacts with others.

That is why a number of Detroit policemen are driving Marmon and Roosevelt cars—but we haven't explained why Chandler was arrested and, consequently, why October was such a good month for him.

"Several months ago I was returning home about one o'clock in the morning," Chandler related. "There was little traffic and I was in a hurry to get home, but fortunately, I was

BY J. F. KERWIN

going only thirty-one miles an hour when a speed cop halted me and gave me a ticket.

"I stuck the ticket in my pocket and forgot all about it. In due time, an officer came up to the salesroom to serve a court summons on me and I wasn't in. He came several times and I was out each time. Finally, a salesman who is inclined to practical jokes proposed to take the summons and give it to me, and as soon as the officer was out of sight, he tore it up. He didn't mention it to me at all.

"One morning the house 'phone rang and I was told that there was a man downstairs to see me. Supposing that he was some owner who had a prospect for me, I told him to come on up. He came up and handed me a warrant!

"I was placed under arrest and taken to the Canfield station, a short distance away, then loaded into a police patrol car and taken down to the city police station. The policemen knew that I was not a common criminal, of course, and they treated me courteously. The driver of the patrol wagon

invited me to ride in front with him and I accepted.

"On the way down, I brought up the subject of automobiles and the driver told me he had decided to buy a new six-cylinder car of popular make. I told him he would make a mistake if he bought a six; that he should buy an eight. Then I told him about the Marmon Roosevelt model, which sells for nearly the same price as the six he was about to buy. Fortunately for me, he hadn't closed the deal for the other car and I saw he was interested in an eight. By that time, we were at the police station, so I told him I would see him as soon as I settled with the judge.

"Then I got another break. The arresting officer didn't show up and I got another officer whom I knew to take me into court. When the judge learned of all the circumstances, he let me off with a five-dollar fine.

"As soon as I got out of court, I took a taxi to the Canfield police station and finished the job of selling the driver of the patrol wagon. He took delivery of a sedan the following day. In the meantime, he asked me whether I had never met the turnkey there and gave me an introduction to him. The

One Man's Loss

The advertiser in the Chicago market who fails to make adequate use of the Chicago Evening American suffers a loss that is his wiser competitor's gain. For if his competitor is wiser he is using the Chicago Evening American as it should be used, and is reaching over 100,000 more Chicago families than any other evening paper can offer him.

Proof? The Chicago Evening American sold a daily average of 555,980 copies in the first seven months of 1930; the second Chicago evening paper sold 442,024.

Thus the consistent user of the Chicago Evening American in that period enjoyed regular contact with 113,956 more evening newspaper-reading families than the advertiser who didn't use it at all, and got a far better break than the hit-or-miss user.

And the solid standing of the Chicago Evening American with this great plus-reader body is revealed in the duration of its leadership. Today it is in its tenth consecutive year in the forefront of its field, and its fifth year of leading its nearest evening competitor by over 100,000 copies daily.

CHICAGO EVENING AMERICAN

a good newspaper now in its TENTH YEAR of
circulation leadership in Chicago's evening field

●

National Representatives: RODNEY E. BOONE ORGANIZATION

turnkey had a small car of inexpensive make which he was readily persuaded to turn in on a new Marmon.

"I thought that was a pretty good compensation for the trouble the police department had caused me, but that wasn't all. The story was told around the police stations and was considered quite a good joke. Incidentally, I got a lot of personal publicity out of it and made friends with a large number of policemen. Then a few days later a speed cop who had heard the story sent for me and introduced me to a taxi operator who bought three cars at \$1,730 each right then and a few days later bought another at \$2,245!

"Getting arrested and being taken for a ride in a patrol wagon was really directly responsible for my selling six cars."

That last statement of Chandler's is true only in part. Getting arrested and being taken to the police station in a patrol wagon merely afforded him an opportunity which he seized and made the most of. It was his practice of being alert to every opportunity and his ability as a salesman which really brought about the happy results.

That Chandler is an aggressive salesman who is always on the alert and that this was not merely a lucky break for him is indicated by his regular performance. Whether he is at work or at play, in business clothes or evening clothes, he said, he always carries with him an order blank, a credit statement, an application for a license, and a blank check. In other words, he is ready to do business at any time and at any place.

"One evening I joined a theatre party," he said to illustrate the importance of this. "I went to a friend's apartment and there met several people, including some whom I had not known before. We went to the theatre, then back to the apartment. One of the men whom I had never met before that evening told us that he was going to buy a fine car right away. I promptly produced an order blank and a blank check and told him that in that case he might as well sign the order right then. He did and the sale went through all right, in spite of the fact that I had been somewhat skeptical at the time.

"Everyone is a prospect for a car,"

Chandler insisted. "Soon after a big new theatre was opened here recently I met the manager in a casual way. A few days later as I was driving by the theatre, he hailed me and asked me which way I was going. I asked him which way he wanted to go and he said he wanted to get out to North Western Field. I had no business out that way, but I offered to drive him out anyway. On the way he remarked that his wife should have bought a car like the one I was driving. She had recently bought an inexpensive car. I let him drive my car and he was pleased, but his wife was the car owner of the family. He made an appointment with her for me to give her a demonstration and the sale was easy.

"On another occasion I went over to the Hunt Street police station to get another fellow out of jail (I wasn't in myself that time) and while there I introduced myself to the lieutenant in charge and chatted a few moments with him about cars. He wasn't in the market himself, but he gave me the name of a prospect whom I sold. The other day I was over that way and

(Continued on page 264)

How De Long Copes with the Returned Goods Problem

ONE of the most perplexing problems confronting the average manufacturer is that involving returned goods.

A customer returns a quantity of merchandise without comment beyond a debit memorandum charging the manufacturer with the full value of the goods. The packages are shelf-worn and bear the customer's price stickers. Is it fair to expect the manufacturer to go to the expense of putting the goods in salable condition? Hardly, unless, of course, his salesman oversold the customer or unless the order was filled incorrectly.

Regardless of the circumstances surrounding the sale, it is generally agreed that no customer is justified in returning goods without the permission of the manufacturer. Often it is possible for the manufacturer to dispose of the goods to another firm in the customer's city or to show the customer how to sell them.

Recently, for instance, a wholesaler asked for permission to return a quantity of a certain De Long product, maintaining that he was unable to sell it. A copy of his letter was sent to the De Long salesman with

Few businesses selling any kind of consumer product are free from the bugaboo of goods that come back. The De Long Hook & Eye Company has developed several plans which satisfactorily minimize this evil. They are described in this article in some detail.

BY CHARLES A. EMLEY

Sales Promotion Manager, De Long Hook & Eye Company, Philadelphia

instructions to see the buyer as quickly as possible. In the salesman's opinion, the product was not selling, because the buyer's salesmen were making no effort. To prove he was right, he called on several stores in the buyer's city and sold the majority of them.

The buyer was so enthusiastic over what the salesman had accomplished that he asked him to talk to his salesmen on the following Saturday morning. In a two-hour talk, he explained in detail to the men how to sell the product. As a result, instead of returning any part of his stock, the buyer has reordered several times.

It is not customers of this type but

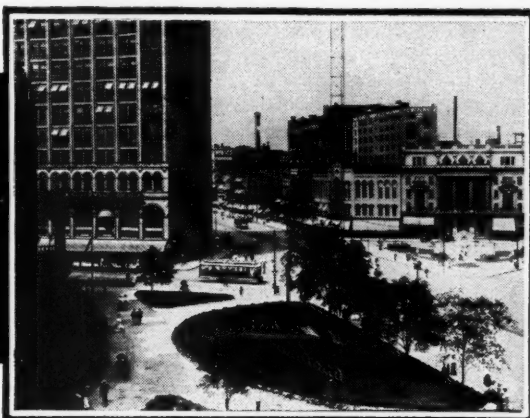
customers who return goods without comment that bring wrinkles to the manufacturer's brow. Some of them, especially those who buy in liberal quantities, reason that inasmuch as they are good customers the average manufacturer will accept what they return, allowing full credit for it, rather than refuse the goods and run the risk of losing their business.

Is there any plan whereby the practice of returning goods without the manufacturer's permission can be stopped? Probably no plan will stop it altogether for regardless of how rigid a set of rules a manufacturer may establish buyers will return goods.

The Same Thorough Coverage of Detroit

1910

Population - - - 465,766
 City Circulation - 78,554
 Detroit News Delivers
 One Copy to Every
 5.92 People



1930

Pop. - - - 1,573,546
 City Cir. - 266,484
 Detroit News Delivers
 One Copy to Every
 5.90 People

In 1930, as in 1910, the home newspaper of Detroit covers the city thoroughly and in the same ratio. This is all the more remarkable when one considers that in the 20-year interim Detroit has received an influx of non-English reading population of considerable proportion. In 1910, when Detroit had only a population of 465,766, The Detroit News delivered one copy to every 5.92 population. Today, with a city population of 1,573,546, The News delivers a copy to every 5.90 population. Then and now a one-paper city.

*Use The News Weekdays and Sunday
 and Reach 4 Out of 5 Detroit Homes*

The Detroit News

New York Office

I. A. KLEIN, Inc., 50 East 42nd St.

THE HOME NEWSPAPER

Chicago Office

J. E. LUTZ, 180 No. Michigan

Dear Sir:

This afternoon we received a package from you containing the following items:

A search through our files fails to reveal any correspondence with regard to this return shipment. Won't you please tell us promptly why you sent back the goods?

Thank you.

Very truly yours,

De Long, however, has evolved a plan that is quite effective. It is not an arbitrary plan calculated to arouse the ire of buyers. Its sole purpose is to convince buyers in a courteous way that, when they return goods without comment, they inflict an injustice upon the manufacturer. Here is an illustration as to how the plan works: A short time ago, the buyer for a large department store returned an assortment of products put up on cards and in packages that have been obsolete for at least five years. We knew nothing about the return until the goods and the debit memorandum arrived. We promptly wrote the buyer the letter at the top of this page.

The buyer wrote us a detailed letter explaining that the first job he tackled upon taking over the department was that of inventorying the stocks. In an obscure corner of the stockroom he had found the items he returned. He returned them in the belief that De Long would welcome the opportunity to help him adjust his stocks. This called for another letter, so we wrote the buyer as shown in the adjoining column.

This letter elicited an apology from the buyer for having returned the goods. He suggested that we send them back to him so he could offer them at special prices. The fact that he is featuring more of our products than his predecessor featured proves that our letter accomplished the desired result without offending him.

However, not all returned goods are obsolete. Buyers return products in perfectly good condition for various reasons. For example, prior to inventory a buyer may return a quantity of products to reduce his stocks. Or a buyer may return part of a shipment in the belief that he ordered too much, or at the suggestion of someone higher up. "Price" buyers will occasionally

return goods to take advantage of better prices offered by competitors.

In every case, we write the buyer a letter asking him why he sent back the goods and upon whose authority. Unless the facts reveal that the order was filled incorrectly, we write the buyer that we will relieve him of the goods provided (1) he will pay the transportation charges on them, (2) he will permit us to deduct a certain amount to cover handling costs, (3) he will send us an order for other goods to offset the value of what he has returned. The vast majority of buyers keep the goods.

Doubtless the returned goods problem, like sin, will always be with us; but a plan like De Long's, simple though it is, will help to minimize it.

Dear Sir:

Thank you for your letter of.....

While we should like to relieve you of the goods you returned, Mr....., we really don't see our way clear to do so.

As the packages are obsolete, having been replaced several years ago with brighter packages, and as they bear your price stickers, the cost of putting them in salable condition would be out of all proportion to their value. In fact, it would pay us better to scrap them.

So you see that even if we were to take them back we could allow you only a very small amount for them. In view of this, we suggest that you put them out on a table or counter, mark them "Odds and Ends," and offer them at special prices. They doubtless will sell quickly and you will realize more on them than we could possibly allow you.

After you review the facts, Mr., we're sure you'll send us shipping instructions on the goods.

Thank you and best wishes.

Very truly yours,

Six Executives Acquire Underwood Control; Founders Remain

Bert and Elmer Underwood, who in 1882 founded Underwood & Underwood, now the largest photographic company, announced this week the sale of control of the business to six of its executives.

Ben D. Jennings, president for a year and previously vice-president and general manager, continues as president; C. T. Underwood, son of Elmer Underwood, as vice-president and secretary; L. E. Rubel, manager of the Washington studios, as vice-president and treasurer, and Lejaren 'a Hiller, illustrator, and E. R. Underwood, son of Bert Underwood, as vice-presidents. The two other purchasers are Morris D. Behrend of New York and Leo G. Hessler of Washington.

No change in policies is contemplated. Portrait work of the company is carried on in twenty-one cities in this country. Illustration studios for the making of photographic advertising illustrations are in New York and Chicago; news department branches in New York, Washington and Chicago. This department has nearly a thousand staff photographers throughout the world.

Bert and Elmer Underwood retired from active business five and a half years ago, but have retained, and will continue, a financial interest.



*Underwood & Underwood
(Bert and Elmer)*

Nunnally Candy Outlines Radio-Newspaper Drive

An appropriation of \$125,000 to be used on newspaper and radio advertising during the next five months was announced last week by Winship Nunnally, president of the Nunnally Company, at the annual sales convention of that candy concern in Atlanta.

"The campaign will begin next month," Mr. Nunnally said, "and the money will be used to cover activities up to January 1 only. Naturally we expect to continue on as large or larger scale during 1931."

Newspapers will be used, coupled with radio, embracing a network of sixteen southern stations.

Nature and Science Beget Fir-Tex

Wedding announcements, calling attention to another alliance in the nature and science families, and at-home cards recently inaugurated a new product, Fir-Tex, at St. Helens, Oregon. The product, a one-inch insulation board, is manufactured by the Fir-Tex Insulating Board Company, of which Hamlin F. McCormick is president.

At the same time the wedding announcements were sent, the Fir-Tex Facts, Volume 1, Number 1, was published and in it this wedding was given much front-page space. A. E. Millington, inventor of the new board, and vice-president and general manager of the new company, which is operating a \$2,500,000 plant, was characterized as a friend who had brought about this new alliance, and J. H. Burnside, sales manager, was mentioned as best man and being in charge of the wedding tour.

Canadian Austin Seeks a Thousand Dealers; Distribution Soon

Coincident with the formal nationwide introduction in the United States last month of the new American Austin car, the Canadian Austin Car Company has been formed and expects soon to have dominion-wide distribution. "Our sales plan in this country," E. P. Clarkson, managing director, explained to SALES MANAGEMENT, "will call for the appointment of twenty-five or thirty distributors and, roughly, 1,000 to 1,200 dealers.

"By the 15th of March," Mr. Clarkson said, "Canada was lined up from Victoria to Quebec—twelve distributors having been appointed in the larger cities. Since that time several additional distributors have been named." Only the Maritime provinces and Newfoundland have not yet been covered.

The Canadian as well as the United States advertising is being handled by Newell-Emmett Company, New York agency.

For fifteen years Mr. Clarkson was in charge of Dodge Brothers' operations in Canada.

Postal Telegraph Begins Theatre Ticket Service

In cooperation with the League of New York Theatres, the Postal Telegraph & Cable Corporation has inaugurated a theatre ticket reservation service through 2,000 of its offices.

The new service will be in charge of A. B. Allsopp, vice-president. Under the plan the offices will receive a list of the current productions and the box office prices.

Only orchestra seats will be available under the plan. There will be no brokerage fee charged, the tickets to be sold at the box office price plus the cost of the money order transfer and a confirming telegram. If the patron wishes to have the tickets delivered to a New York City address, a messenger will complete the service.

McGraw-Hill Grows Abroad

The McGraw-Hill Publishing Company, Ltd., of London, will become a service branch of the McGraw-Hill Publishing Company September 1, it has been announced by F. Ormsby Cooke, general manager of the English company, who recently visited in this country. The English concern heretofore an independent subsidiary of McGraw-Hill, will increase its facilities with the change, Mr. Cooke said.

National Union Radio Will Expand in West

E. A. Tracey, first vice-president of National Union Radio Corporation, New York, left for California this week to investigate manufacturing and marketing possibilities there. The San Francisco and Los Angeles Chambers of Commerce have extended offers of cooperation in establishing a National Union plant in one or the other of those cities.

National Union, a \$16,000,000 tube organization, now has three plants in the New York area and one in Chicago, with warehouses in several cities. Its establishment as a merger of several radio tube companies, last year, was aided by a \$2,000,000 loan from Radio Corporation of America. Ralph E. Myers, who has been chief engineer, tube division, Westinghouse Electric & Manufacturing Company, is a vice-president of the company. Dr. Myers' former Westinghouse staff is now in charge of National Union engineering and production.

Film Theatres May Soon Become a Major "Consumer" Medium

America's motion picture theatres, with a potential weekly audience nearly as large as the entire population of the country, may soon become a major advertising medium.

Two of the largest companies in the industry, Warner Brothers and Paramount, have started the production of "sponsored films" for national advertisers which will soon be shown in their theatres. Others may follow.

These sponsored films are one of two principal activities in which the industrial divisions of these companies, recently established, will be engaged. The other will be the production of advertising pictures for, internal organization and special purposes—such as for showing before dealer and sales meetings. Along this latter line, certain smaller picture companies have specialized for several years.

Development of consumer advertising, with guaranteed circulation through affiliated theatres, however, is a new development.

The "guaranteed circulation" of this new advertising medium covers more than the actual seating capacity of the theatres. Its rate of \$5 per thousand people is determined by the actual weekly audience. Because of the fact that everyone who attends a theatre must see the sponsored film on the screen, officials of these companies believe the medium will offer more complete coverage than any other advertising medium. They point out that the figures of magazine, newspaper or radio circulation, however carefully they may be checked, can give no accurate indication of the number of people who see certain advertisements in them. Every person who attends a complete motion picture theatre performance, on the other hand, must be reached by the sponsored film that is then showing. Warner Brothers, for example, will guarantee a weekly circulation for its 1,000 theatres of at least 5,000,000 people.

Motion picture officials emphasize the fact that, although in the straight industrial films the advertiser's wishes are the first consideration, in the "sponsored" pictures to be shown in their theatres the element of popular interest is primary. The advertiser's name and product will be shown in each film—which will average one reel or from six to ten minutes on the screen.

It is not necessary for the advertiser to sign up for showings in the com-

plete chain of theatres. Those whose distribution is confined to more limited territories or who wish to make special sales effort in certain areas may contract for a more limited number of showings. For the most part, however, the new medium will be national in scope.

New divisions have been established to handle this new phase of the business. The Stanley Film Advertising Company, which has been making industrial commercial films at New York for several years, was acquired by Warner's July 7, and, greatly enlarged, is now Warner Brothers Industrial Films, Inc. A. Pam Blumenthal is vice-president and general manager, and B. K. Blake production manager of that division with headquarters in New York.

Warner plans soon to establish twenty-six offices in the United States to contact with advertisers through this subsidiary. Production will be both in New York and Los Angeles, although field men will operate also at the plants of the advertisers.

With the September issue the *House Furnishing Journal* and the *House Furnishing Review* will become one, under the name of the latter publication, published by the Simmons-Boardman Publishing Corporation. Charles B. Rosengren, president of the Incorporated Business Papers Company, former owners of the *House Furnishing Journal*, will become vice-president of the merged publications.



Frank G. Macomber, general sales manager, Crosley Radio Company.

Crosley Will Introduce Mantel Clock Radio; \$2,000,000 Budget

"Crosley advertising in the next twelve months will easily pass the \$2,000,000 mark," Frank G. Macomber, general sales manager of the Crosley Radio Corporation, Cincinnati, informed SALES MANAGEMENT this week in describing merchandising and advertising plans in connection with the nation-wide introduction of a new radio line.

"The program that has been outlined will make available about \$2,000,000 for local advertising by Crosley dealers," Mr. Macomber explained. "This is the largest sum for this purpose for any one year in the history of our company."

"Naturally, the largest single factor in the program will be newspapers. Our plans provide for all newspaper advertising to be placed by our dealers when approved by the Crosley distributor from whom they buy our merchandise."

"In addition, we shall continue our national magazine and farm paper advertising, spending several hundred thousand dollars in this field alone. There will also be direct mail campaigns and dealer help material—some of this being sold to dealers at cost or less than cost, the company paying the difference."

The new Crosley line, Mr. Macomber added, includes seven complete sets ranging in price from \$64.50 to \$240. "Our lowest-priced set, known as the New Buddy, is a mantel clock or midget type, self-contained, AC electric radio, only fifteen inches high. This set is so light in weight and small in size as to be readily movable from place to place in the home, or from house to house under the arm."

"The new models have been developed from suggestions of Alma Gluck, George Gershwin, Edith Mason, Efram Zimbalist, Jose Mojica and other artists."

"We believe that business has turned the corner and decided improvement will be noted after Labor Day. Within the last few weeks several hundred employees have been added to our payroll and the number is increasing daily."

"Production schedules have been stepped up to a thousand sets a day, which will be further increased within a short time. Already the company has a back log of orders sufficient to insure operations on a heavy scale for the next sixty days."

HURDLE

*high
sales costs
with*



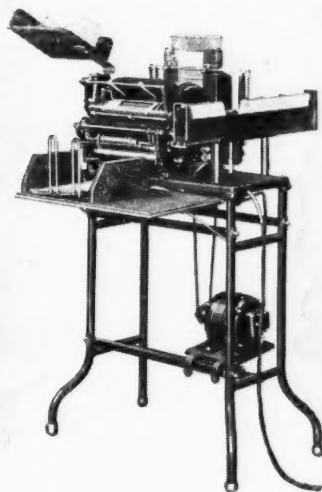
The **MULTIGRAPH**

SALES management is striking a new stride today to get past the obstacle of high selling costs without tripping.

It is finding out how to add more sales to the total volume . . . without adding more salesmen to the staff . . . without adding more travel expense to the sales budget . . . without cutting prices.

It is finding out how to get more sales for the same advertising expense.

It is finding out how to con-



At one revolution of the drum the Addressing Multigraph writes the letter, fills in the name, address, and salutation, adds a facsimile signature, and addresses the envelope.

centrate on profitable markets and to avoid those in which the cost of cultivation outweighs the potential return.

Selective selling is the new technique that meets modern business demands. The Addressing Multigraph is a modern tool of salesmanship that helps to make selective selling methods easy and economical to apply.

Ask the Multigraph representative in your city for details of the ways in which the Multigraph is helping to reduce sales expense. Or write to:

The American Multigraph Sales Co.
1832 East 40th St., Cleveland, Ohio

The Multigraph Sales Company, Ltd.
137 Wellington St., West, Toronto, Ont.
(or consult your telephone directory)

Amos 'n' Andy Sign 5-Year Contract with Pepsodent

Amos 'n' Andy, a year old to the nation's radio audience next Tuesday, August 19 (and several years older to the Middle West), have signed a contract for another five years with the Pepsodent Company of Chicago, present sponsors of the program. The contract is said to call for a contract on a sliding scale netting Charles J. Correll and Freeman Gosden, the "Amos" and "Andy" of the feature, the "largest amount ever paid radio entertainers." In addition, Pepsodent paid them this year a substantial bonus above salary.

Last November, in an effort to please listeners in the east who complained that hearing them at 11 p. m. kept their children up too late, the time of broadcast was changed to earlier in the evening. Within a week many western listeners complained. Amos 'n' Andy then began a two-a-night broadcast schedule, permitting eastern listeners to hear them at 7 p. m., eastern standard time, and western listeners at 10:30 p. m. They were the first radio entertainers to use this sort of schedule.

On April 11 the National Broadcasting Company signed a contract with RKO Productions for the services of Amos 'n' Andy in making a talking picture.

Pacific Coast Borax Company, Wilmington, California, has closed its Bayonne, New Jersey, plant and transferred machinery and equipment to the Wilmington plant.



Appearances to the contrary, the Fresh Air Taxi will continue for five years more.

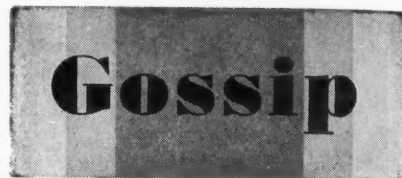
Miniature Golf Courses Lift Spalding Sales

"Regardless of general business conditions, the American public must play," observes A. G. Spalding & Brothers, maker of sporting goods, New York, in announcing this week that its business is now running 5 per cent ahead of last year.

An important factor in this growth, the company reports, is the development of miniature golf courses. The number of "regular" golf courses in the country is also increasing. In 1923 there were 1,903 of these, today there are 5,648. America's production of golf balls is now about 2,000,000 dozen a year. Spalding, selling through nearly 20,000 dealers, manufactures 90 per cent of the goods it handles in twelve plants in the United States, England and France. Its best-known trade names are "Spalding," "Wright & Ditson" and "Reach." Sales in 1929 reached \$27,886,333; net profits \$2,050,446.

Negro Business League Meets

Outlining of business opportunities for Negroes as one method of relieving the stress of unemployment among college-trained Negroes is the theme of the national convention of the National Negro Business League, to be held at Detroit, August 20-22. The speakers include Gorton James of the *Business Week*; H. G. Nichol, W. T. Grant Company; J. Lester Cassidy, Dennemiller Coffee Company; Hampton Robb, Francis H. Leggett Company; and William L. Stickney, of the George W. Simmons Corporation.



R. P. PRESTON has become service promotion supervisor of the Olds-Viking motor car factories, Lansing, Michigan.

Walker Advertising Agency has been established by SHIRLEY WALKER in the Russ Building, San Francisco. Formerly advertising manager and later controller of Sherman, Clay & Company, San Francisco music house, and general sales manager of the General Paint Corporation, Mr. Walker was also president of the Advertising Club and of the Retail Merchants' Association there.

A. J. SLOMANSON has resigned as vice-president of Littlehale, Burnham, Rossiter Company, New York agency, to join the New York staff of P. F. O'Keefe Advertising Agency, Boston, as account executive.

FRED T. WHITING is now assistant manager of the northwestern district of the Westinghouse Electric & Manufacturing Company, at Chicago.

WILLIAM H. ENSIGN has become manager of broadcasting operations, a new position, with the Columbia Broadcasting System, New York.

ROBERT WINTHROP, formerly president of Winthrop & Company, sales and advertising counsel of New York, has joined Warner Brothers Industrial Films, Inc., there as a special representative. Previously, Mr. Winthrop was vice-president of Addison Vars, Inc., and of Lyddon, Hanford & Kimball, Inc., New York agencies.

GLEN JOCELYN has joined the copy staff of Dorrance, Sullivan & Company, New York agency.

GEORGE K. THROCKMORTON, executive vice-president of E. T. Cunningham Company, New York, has been elected a director of the Radio Manufacturers' Association.

J. O. BUCKERIDGE, president of J. O. Buckeridge & Company, Detroit, announces that his agency has been incorporated under Michigan laws.

H. VAN H. PROSKEY, manager of the New York office, and W. H. LEININGER of the Toledo office, United States Advertising Corporation, have been elected vice-presidents.

HENRY E. HUDGINS has resigned from the copy staff of J. Walter Thompson Company, New York, to become an executive with Benton & Bowles, New York agency.

R. G. MARTIN, president of MotoMeter Gauge & Equipment Corporation, has been elected president of the Toledo Lithographing & Engraving Company, of which he has served as a director for several years.

DONALD M. WRIGHT has returned to Erwin, Wasey & Company, New York, in an executive capacity.

J. H. WINANS, formerly advertising manager of Packard Motors Export Corporation, has joined Jordan Advertising Abroad, Inc., New York, as manager of the automotive division.

CARL H. GETZ, formerly in charge of General Motors publicity, has been appointed director of the publicity department of the J. Walter Thompson Company.

MARIAN HERTHA CLARKE, recently with the Boston office of Albert Frank & Company, has joined the sales staff of the Porter Corporation, Boston, where she will handle accounts requiring radio broadcasting.

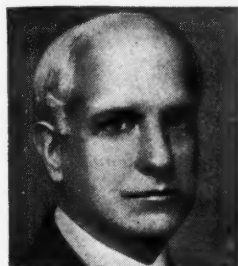
L. F. STOLL succeeds James H. McGraw, Jr., as publishing director of *Aviation*.

P ACE-SETTERS IN THE FASTEST MOVING OF CITIES AND READERS OF THE CITY'S PACE-SET- TING NEWSPAPER... THE NEW YORK AMERICAN



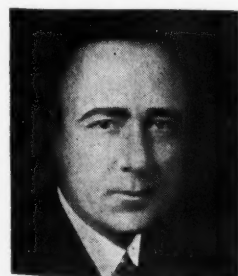
"I read the American because the modern woman wants a newspaper that presents the news tersely—yet completely."

—Elisabeth Marbury



"Like Benjamin Franklin, the father of American Journalism, the men who edit today's New York American know how to catch the color... and still maintain the accuracy of the news."

—William Guggenheim



"To know the real New York and its fascinating life... read the New York American."—M. H. Aylesworth



"It's the only paper that makes me feel the tempo of the city which is my New York."

—Mayor James J. Walker



"Writers like Brisbane, Forbes and Rukeyser to give it weight... news columns infused with the very spirit of New York to give it brilliance... the American is a truly modern, typically New York newspaper."

—Walter P. Chrysler



"The life of the city... all of its color and variety... in some magic way has been caught by the American."

—Faith Baldwin



"To me, the life of the city is a great revue... and, by reading the American, I am sure to see every scene."

—Florenz Ziegfeld



"You feel the 'urge' which makes New York a great and ever-changing city... when you read the New York American."

—Capt. Eddie Rickenbacker



"The American really reports all the news... and catches the whole spirit... of New York."

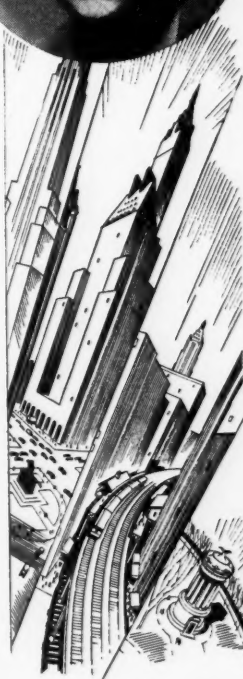
—Grover A. Whalen



"Faithfully, accurately, completely the New York American reports both the facts and the feelings of this city of all races and all creeds."

—Rev. Dr. Christian F. Reisner

Real pace-setters. Leaders in every walk of New York City's many-sided life. These notables of the great metropolis tell you why the American appeals to them. Being modern New Yorkers, they frankly state that the American is the paper which most vividly and accurately typifies New York. However, the preference of the New York American is not limited to these celebrities. They are just a few of the ever increasing number of moderns who claim the American as their paper. More than a quarter million daily, and more than a million Sundays. In fact, modern New Yorkers evidently prefer the Sunday American to any other standard size metropolitan paper because they are willing to pay a higher price for it and buy more copies of it! Ample proof that the New York American is a pace-setter in the metropolitan market. The paper that will surely put your sales message before the moderns.



NEW YORK AMERICAN

PUT YOUR MESSAGE BEFORE THE MODERNS

Will Coordinate Local Campaigns in U. S. "Pay Promptly" Drive

One hundred and sixty local bureau members of the National Retail Credit Association, St. Louis, are now running advertising campaigns to induce customers to "pay promptly," the association reported this week in summarizing the results of a survey it is conducting in preparation for a national advertising campaign. Sixty-eight per cent of the credit bureau cities in the country are either now advertising or are making plans to start.

The survey covered cities in forty-five states, the District of Columbia and the Canadian provinces of Ontario and Alberta. Of the 416 replies received, 38 per cent said they were now advertising, 30 per cent "want to start" and 32 per cent were "not interested."

Of the 193 who had definite plans for financing the campaigns, Frank C. Hamilton, director of public relations and advertising of the national association, explained to SALES MANAGEMENT, 45 per cent were providing the money from budget funds, 25 per cent from contributions, 24 through assessments and 6 through other means.

Eighty-four per cent of the bureaus running campaigns found them successful, Mr. Hamilton said.

The campaigns varied in methods of operation and in length. Some 15.2 per cent ran less than three months, 14.6 per cent from three to six months, 17.8 from six months to a year and 52.4 for a longer period.

"This local situation was a serious obstacle to a national drive for a sum of money to be handled through this office on a national basis," Mr. Hamilton explained. "We are endeavoring, therefore, to eliminate this sporadic advertising, with each community spending its money through our direction. When we have them reconciled we shall proceed with the national plan."

Advertisements already appearing illustrate the "moral" and "social" as well as the economic value of sound credit.

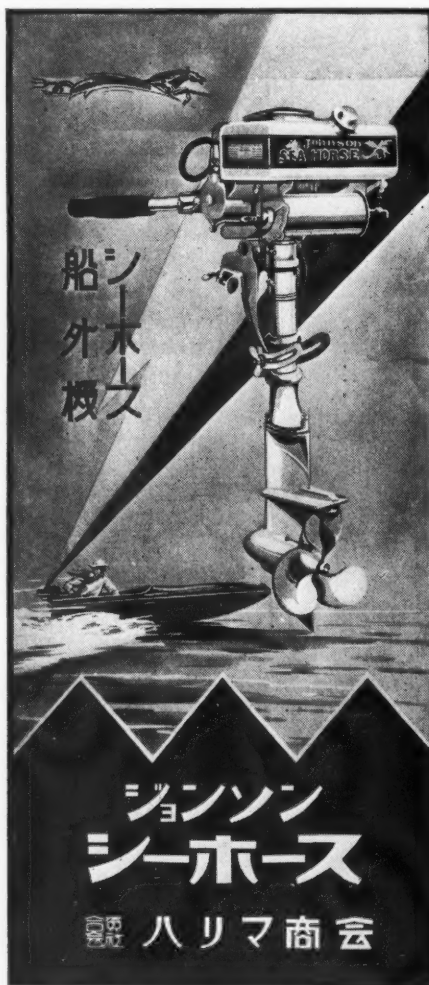
First announcement of the national program was made by Justin H. Edgerton of New York, president, and David J. Woodlock of St. Louis, manager-treasurer of the association, at President Hoover's economic conference last December. It was then planned to spend \$7,000,000 in all major media over a two-year period in an effort to speed up retail credit

payments. A 30 per cent reduction in the average time taken for payment of retail bills, Mr. Woodlock pointed out, would result in a nation-wide saving of \$100,000,000 in interest, not counting the money that would be released earlier for reinvestment in retail operations.

The advertising and research program is being handled by Nelson Chesman & Company, Inc., St. Louis agency.

Van Camp Sales Climb

Van Camp Sea Food Company, Inc., Terminal Island, California, doubled its 1930 advertising campaign—concentrating it in 296 metropolitan newspapers—for its canned product, "White Star" tuna fish, with the result that sales are now 30 per cent greater than any year in its history, Emil Brisacher, president of Emil Brisacher & Staff, San Francisco agency handling the account, announced last week.



Modernism is even affecting Japanese art, as witness this poster used by Harima Shokai, Ltd., Johnson outboard motors distributors, in Osaka, Japan.

Western Firms Unite to Stimulate Sale of Local Goods

Pacific Coast manufacturers and department stores, through their separate organizations, have just launched programs to stimulate the sale of Western-made goods there.

The Pacific Coast Products League, recently formed by sixty-five manufacturing firms, has appointed Smith & Ferris, Los Angeles office, to direct a coast-wide advertising campaign, aimed at the consumer, and selling the idea that if the public will buy more Pacific-Coast-made products, there will be less unemployment in that section. Media will include radio, magazines, newspapers, outdoor posters, window displays, and direct mail.

The sixteen large department stores comprising the San Francisco Retail Drygoods Association have agreed to purchase each year \$25,000,000 worth of apparel and home furnishings manufactured in San Francisco and vicinity. About \$40,000,000 worth of such articles are now produced there annually, while total retail sales of wearing apparel, drygoods and home furnishings approximate \$75,000,000. The White House, San Francisco, will buy some \$2,000,000 a year of such commodities; O'Connor, Moffat & Company, in excess of \$1,000,000; The Emporium, about \$4,000,000.

Midland Steel Expand in Air and Auto Field

Expansion of the Midland Steel Products Company in the automobile field and its entry for the first time into aviation has been started with the Midland Company's acquisition of the patent rights covering air brakes for automobiles and for starters for airplanes and boosters, from N. A. Christiansen, inventor.

Midland will develop air brakes for airplanes, trucks, trailers and buses and four-wheel air brakes for all classes of passenger automobiles, E. J. Kulas, president, said.

Giffen Heads Raisin Pool

Wylie M. Giffen, first president of the old California Associated Raisin Company, which later changed its name to the Sun-Maid Raisin Growers' Association, and more recently in charge of the state-wide campaign committee for the California Grape Control Board, has been elected president of the California Raisin Pool. This organization is functioning under the Grape Control Board and is bringing in as raisin outlets the private raisin packers as well as Sun-Maid growers.



This CHART helps your printer save *your* money

IT'S expensive to specify sizes of printed pieces by guesswork. You're almost certain to hit on uneconomical dimensions. And that means extra work for your printer . . . and extra cost to you.

For instance, here are just a few of the operations that an odd-sized mailing piece entails: First, your printer has a complicated estimate to figure out. Then he must shop all over town to find some special-sized paper sheets that won't waste too much in the cut.

Usually they're not to be had. He orders them to be made at the mill. He orders special-sized envelopes (which may not fit your mailing machines). When everything is finally delivered, there must be special instructions and handling all through his plant.

All this is unavoidable overhead. But it all costs money. Your printer has to add it on his bill. And it all began right at your desk when you specified that odd size.

Yet it's easy enough to cut out this extra expense. Here's a simple way to do it.

The S. D. Warren Com-



THESE 10

Trimmed Sizes

Printed Pieces

CUT WITHOUT WASTE

FROM

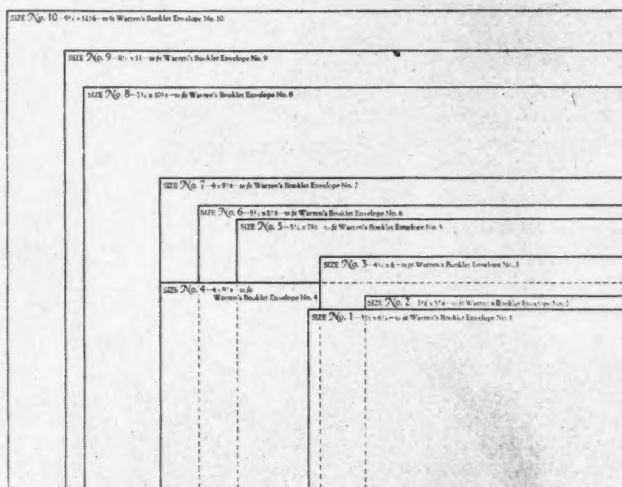
4 paper sheet sizes in stock

26 x 29
25 x 38
32 x 44
35 x 45

and Warren's Booklet Envelopes in stock
carried in stock of paper merchants handling
Warren's Standard Printing Papers.

Use

size No. 1—For envelope enclosures.
size No. 2—For small booklets or folders.
size No. 3—For booklets or small booklets.
size No. 4—For booklets or small booklets.
size No. 5—For booklets or small booklets.
size No. 6—For booklets or small booklets.
size No. 7—For booklets or small booklets.
size No. 8—For booklets or small booklets.
size No. 9—For booklets or small booklets.
size No. 10—For booklets or small booklets.



pany has just prepared a chart of actual sizes for mailing pieces.

These sizes are *right*. They cut economically from standard sheets. They fit standard envelopes . . . that are specially designed for use on mailing machines. And the chart gives plenty of sizes to meet all your requirements.

The Warren Chart is a handy size—only 11" x 17". You can keep it spread out right under the glass on your desk . . . ready to refer to when you plan a mailing piece.

How does it save money?

This way. Standard paper sheets and envelopes are always waiting for your printer at the warehouse.

The sheets will fit his presses exactly. He spends no time and money on special paper . . . special envelopes . . . special operations.

And he does a better job for you. He can devote his thought, his time and all his skill to giving your mailing piece that touch of individuality you vainly strive to get with irregular size. It's the *printing*, not the *shape*, that makes a booklet distinctive.

Your printer can supply you with one of the Warren Charts. Keep it handy and use it. You'll be helping him to save **YOUR** money if you do.

If he has none on hand, write direct to us.

S. D. WARREN COMPANY, 89 Broad Street, Boston, Massachusetts

American Press Association Shows Small Towns Are GAINING IN POPULATION

An analysis of the first 1930 census returns, made by the American Press Association, definitely shows that the small towns are gaining in population.

Here are the Association's figures for the first 5,003 towns reporting:

"The gain for 3,395 of the 5,003 towns is 2,145,076, while the loss of the other 1,608 towns is only 283,955. The net gain for the 5,003 towns is 1,861,121."

This analysis included only country towns ranging from less than 1,000 to 5,000 population — the real GRIT market.

Write our nearest representative or the home office for complete, free information regarding present day conditions in the small town market.



**Read Every Week by Over 400,000 Families
in 14,000 Small Towns**

Home Office:
WILLIAMSPORT, PA.

Advertising Representatives
THE JOHN BUDD CO.

Account Changes

McCOY'S LABORATORIES, INC., New York, cod liver oil tablets, to Batten, Barton, Durstine & Osborn, Inc., there. A newspaper campaign will start this fall.

INSTANTFREEZE CORPORATION, Milwaukee, Instantfreeze for freezing ice cream, ices and sherbets in thirty seconds, to Klau-Van Pietersom-Dunlap-Younggreen, Inc. Magazines and newspapers.

BLACKSTONE INSTITUTE, Chicago, publisher of *American Law Library*, advertising of non-resident law courses, to Vanderhoof & Company there. Magazines, class publications and radio.

INTERNATIONAL HANDKERCHIEF COMPANY, New York, "Sealpackerchief," to United Advertising Agency there.

MODINE MANUFACTURING COMPANY, automotive radiators, unit heaters and copper radiation; ARNOLD ELECTRIC COMPANY, drink mixers and other soda fountain equipment, both of Racine, Wisconsin; and GRAVER TANK & MANUFACTURING COMPANY, water softening and filtering equipment and steel tanks, East Chicago, Illinois, to Dunham-Younggreen-Lesan Company, Chicago.

A. SCHOENHUT COMPANY, Philadelphia, toys, to Charles C. Green Advertising Agency, New York. Magazines.

THE LANDER COMPANY, New York, cosmetics, to Harold D. Frazee & Company, Inc., there. Radio test campaign being carried out over seven stations. One hundred stations, and magazines, to be used later.

BROOK HILL FARM, Genesee Depot, Wisconsin, acidophilus and certified milk, to Klau-Van Pietersom-Dunlap-Younggreen, Milwaukee. Newspapers and radio in middle west.

KREUGER BEVERAGE COMPANY, soft drinks, and GOTTFRIED KREUGER BREWING COMPANY, Kreuger's Special, a cereal beverage, both of Newark, to Paris & Peart, New York. Outdoor and newspapers.

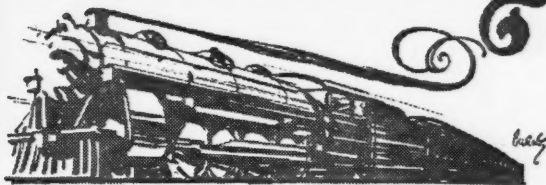
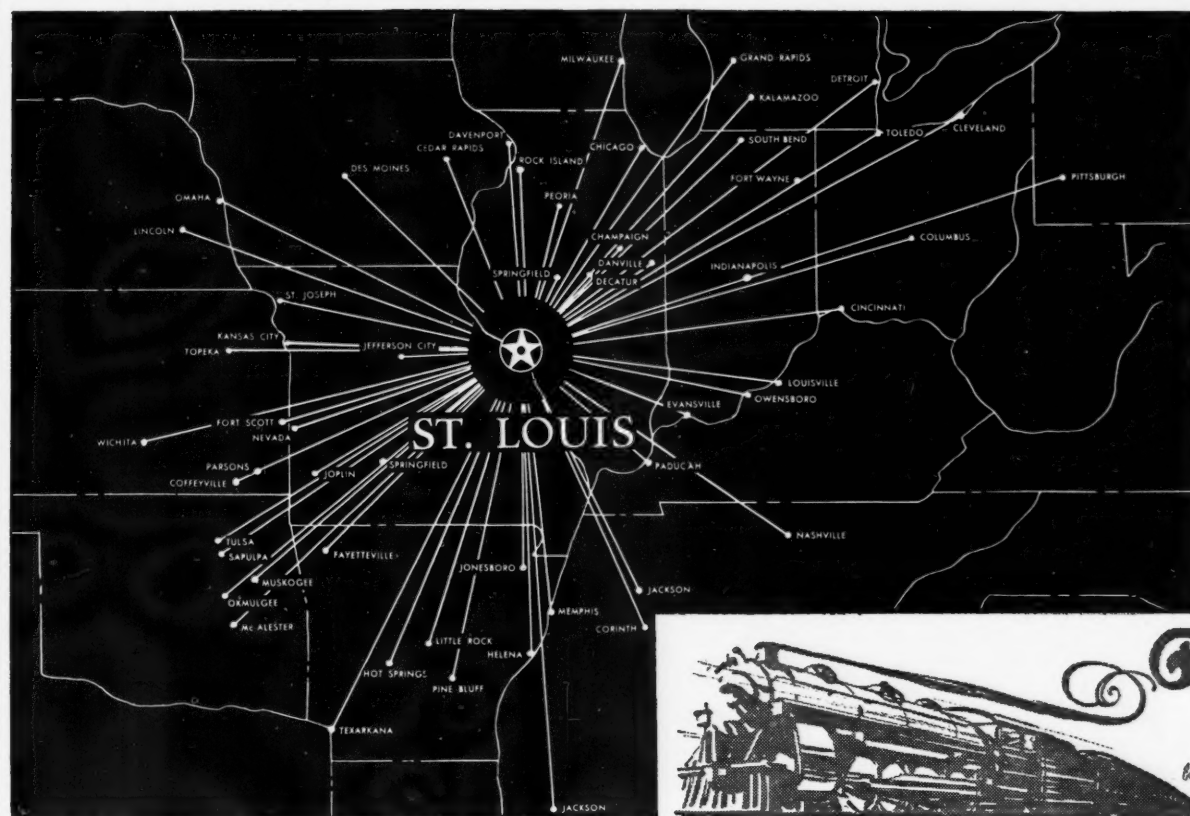
CHARLES ENGLEHARD, INC., industrial instruments, Newark, to P. F. O'Keefe Advertising Agency, New York office.

R. SCHIFFMAN COMPANY, Los Angeles, Asthmador and other proprietary remedies, to Advertisers, Inc., Los Angeles office. United States and Canadian campaign in newspapers, magazines and radio.

CAPUDINE CHEMICAL COMPANY, Raleigh, North Carolina, proprietaries, to Charles C. Green Advertising Agency, New York. National newspaper campaign to start this fall.

You can Reach Them from St. Louis

...those millions of potential buyers of the prosperous Middle-West—quickly, cheaply, efficiently



IT IS A fact—you must have noticed it in your own business—that people today are buying in smaller amounts, but more often.

Wholesale and retail, it is everywhere the same.

And, buying oftener, "out" more frequently themselves, they want and must have Service. Impatience follows the answer . . . *"Not in stock right now, but we'll order it from the factory."*

There's no surer way to miss sales. Wants change overnight; prospects grow "cold." Business goes to the competitor who can make spot deliveries.

Think, for a moment, of the great Mid-West territory shown above! Here, in a 500-mile circle around the star, are fifty million people—46% of the whole country's population, massed in 25% of its area.

Are you reaching it efficiently?

Making immediate deliveries from stock? Losing no sales because of delays, expensive transportation, or poor service?

In a word, is the business you have there now, *and the business you might develop there*, being handled as well as it could be handled from its central point—St. Louis?

From St. Louis you can reach more people, in less time, and at less expense, than from any other large distributing city in this country.



SALES TERRITORY Overnight from St. Louis

Every city on the above map can be reached by overnight sleeper from St. Louis, and the return trip made overnight without loss of working time. Time of departure, after 4:30 P. M. Time of arrival, before 9:30 A. M., either way. Fast Package Car Freight also reaches all these points within a comparatively few hours.

Your warehouse, branch factory, or divisional sales headquarters belongs here. It would profit, because, serving the people from the inside of the circle in which they live, they could profitably trade with you.

Get the real facts about "*St. Louis the Distributing Center*" by addressing the INDUSTRIAL BUREAU, 507 Locust Street... St. Louis, Mo.

INDUSTRIAL BUREAU of the INDUSTRIAL CLUB - ST. LOUIS

Editorials

PARCHED FIELDS AND TEEMING BARN:

The energetic measures which are being taken by the administration to relieve sufferers from the prolonged drought are in all respects praiseworthy and afford striking evidence of the new conception of governmental duty. Sympathetic appreciation of these efforts is not incompatible, however, with reflections on the curious mutations of life which, as in this instance, turn us from devices to protect the farmer from the evils arising from overabundant crops to expedients to save him from nature's intervention to the same end. . . . Critics of the Farm Board idea see in this anomaly proof of all they have been saying about the folly of trying to bolster grain prices by government grain purchases lacking economic sanction. But no such inference is reasonable. The phenomenon of an unusually dry summer has nothing to do with the case except so far as immediate results are concerned. Long before the fields were parched it was plain to most business men that putting a premium on prodigal sowing is not a sensible way of teaching farmers the lesson which even industry has not yet fully learned—that profit lies in production to satisfy demand rather than in production for its own sake.

ANOTHER FORD DREAM: While employers of labor are reiterating their determination to maintain wages in order to keep buying power as nearly intact as possible, Henry Ford, not often at a loss for something to say which will fill the public ear, comes forward with the suggestion of a ten-month labor year. Summer months, he remarks, are poor times for factory work and old standards of labor volume are not well adapted to modern requirements of supplies regulated by demand. He would kill two birds with one stone—find something to do for everyone by shortening the time of labor and so check overproduction at the same time. He sees no great difficulty in the way. The eight-hour day was harder to bring about; so, he says, was the five-day week. . . . Nothing is said about the pay. Does Mr. Ford mean that ten-month work shall command the same wages as twelve-month work, or is he, champion of high wages, now contemplating a reduction bolus in the form of extended leaves of absence? But August is by tradition the month of trial balloons, and no one is fonder of sending them up than the wizard of low-priced cars. So let us gaze at this one for what it is, and be content with our observation that even in a

practical world, somehow or another, ways are being found to lessen the hours of toil, even in industries more incessantly busy than the automobile industry.

UNANNOUNCED PACKAGE CHANGES: In the performance of their self-appointed duty as guardians of business morals and protectors of the public against unfair trading methods, Better Business Bureaus have been looking into the charges against chain stores. In Columbus, Ohio, the bureau asked Henderson, the Hello World Shreveport man who started the agitation, for particulars, promising to remedy abuses that might be uncovered and to spread the facts among all the other bureaus. As a means of giving wide effect to evidence of malpractice by the chains nothing much better could have been devised. But Henderson seemed disinclined to take advantage of it. When an answer came from his office, after repeated inquiries, nothing was vouchsafed but a list of nationally branded goods which his assistant said were put out in packages of varying size, the implication being that the chains defrauded their customers by giving them less than full weight. The bureau made painstaking investigation of each item and as a result reported that it could find no warrant for statements that the national grocery chains misuse or defraud the public by their selling practices. . . . It is not surprising to learn that Henderson lacks foundation for railing accusations against the chains. No rational person believes that the big chains are foolish enough to cheat the public; those who dislike the chains quarrel with them on wholly different grounds. But the incident serves to call attention to merchandising methods that are not well understood. We refer to unannounced changes in the weight or measure of packages of standard goods, justified on the ground of changes in costs. Distributors with rapid turnover, like the chains, naturally have the latest, which is generally the smallest or lightest, and so are exposed to the suspicion of giving relatively poor value. Obviously the public should be informed of the difference. The question is, who should make the announcement—the producer or the retailer? . . . Reduction in contents of packages or modification of quality up or down constitute an indirect means of dealing with prices. In times of moderate fluctuations of prices this plan works well enough and is fair to producer and consumer alike. When major price movements are under way, however, the practice is of doubtful soundness. It sustains established prices but may fail to jog buying, best of price adjusters.



© Sawyer Scenic Photos, Inc.

Telephoto picture of a mean one in action at Pendleton. Note the perfect take-off.

As much a part of Oregon as the PENDLETON ROUNDUP

Pendleton, each September, brings back the old West. What a show! 30,000 people flock to this city of 7,000 population. And Pendleton hospitality is equal to the occasion. ¶ Pendleton is 236 miles from Portland. We drive it in 6 hours easily. It is one of 20 cities of more than 5,000 population in The Oregonian market. World renowned for at least three unique productions—the Roundup; the famous Pendleton Indian blanket, and the world's championship Hamley saddles. Umatilla County, of which Pendleton is the county seat, is one of America's richest counties in agricultural worth. ¶ Twenty cities like Pendleton—a score of rich centers of diversified agriculture and other industries, plus Portland, a metropolitan city of 300,000 population—all these make up the receptive, responsive Oregonian market. And how completely The Oregonian, as a newspaper, reaches this market may be judged by the fact, that every year for 80 years The Oregonian's circulation has been the largest and its advertising lineage the greatest—a year-by-year proof that The Oregonian is the leading newspaper not only in circulation but in the confidence of Oregon's people.



Nationally represented by **VERREE & CONKLIN, Inc.**
New York, 285 Madison Ave. Chicago, 333 N. Michigan Ave. Detroit, 321 Lafayette Blvd. San Francisco, Monadnock Bldg.

The Oregonian.

P O R T L A N D , O R E G O N

For 80 years the preferred newspaper of Oregon People

Research People

WE wish to have on record the names of good research workers. We can place them, from time to time, in our own organization and in those of our clients.

Candidates must have (1) an unimpeachable record, (2) the ability to meet people, (3) some experience in writing, and (4) a scientific habit of mind.

We are interested in two classes of research people: (1) resident interviewers, operating in their own communities on a part-time basis, and (2) full-time employees who are either experts in, or unusually equipped for, the research business.

We will gladly send application blanks to those who request them.

Percival White

Incorporated

Marketing Counselors

25 West 45th Street

New York

Will Cooperation Lick the Price-Cutting Evil?

(Continued from page 231)

principle of a living wage, and in the economic soundness of giving value for value received, we believe you will see the desirability of supporting druggists who price *all* merchandise fairly, thus giving you confidence in the value of *everything* you buy."

The subsequent advertisements develop the same theme, and by the time the campaign is completed I am sure we shall have several thousand letters of comment and suggestion that will prove the sound practicability of the plan. Within twenty-four hours after the first advertisement appeared we received 110 letters commending our appeal to reason in merchandising, and more than thirty of them were from the public. The returns surely indicate that price-cutting is not as popular as it is evidently thought to be in many quarters, and that the public, as well as wholesalers and retailers, can be educated promptly and effectively regarding the fairness and profitableness of sound merchandising.

Long Experience with Problem

Back of this campaign, as I have said, is a long experience in merchandising against the handicap of price-cutting. It was the first problem I delved into when I joined the company, and I am frank to say that we had to clean our own house before we could approach a solution of it. At that time we engaged in both wholesaling and manufacturing, and we had to discover that we could not progress the way we wanted as long as we sold some goods at cost or at a loss. Then we began to open our eyes to the possibility of projecting an economic selling policy throughout our national distribution.

In 1924 our profits were disappointing. The following year showed no improvement and an analysis of our business disclosed that the cause was our loss in distributing so-called patent medicines. We bought practically all items in the department at discounts of 15 and 2 per cent, and, in competition with other wholesalers, sold them at 10 and 2 per cent. We thought we were making money; but our analysis showed that our losses on patent medicines were equal to the total profits on the balance of the business.

We promptly announced to the trade that we would grant no more

discounts on patent medicines, and within three months this part of our volume had decreased about 90 per cent. We also lost a little—approximately 8 per cent—on the rest of our business; but we found that our net profit on this part of our volume had doubled. This was before we took over the Hinds business, and we had a record of three months to prove the desirability of straight pricing. However, although the facts we established were widely published and discussed, we did not hear of a single jobber who had the foresight to adopt similar methods. And I do not think there is a clearer indication that the reform of the wholesaler must come from a dealer-demand that is a reflection of a public understanding of good merchandising.

Little Jobber Cooperation

In the fall of 1925, after we had discontinued our wholesale business and were confining our efforts to manufacturing, we began an out-and-out campaign of price maintenance. We confined practically all of our business to the established drug wholesalers; but we found that out of 255 jobbers with whom we were doing business only eighty-eight understood what we were attempting to accomplish and were willing to cooperate. Although every jobber knew every price-cutter in his territory, whenever one refused to sell a demoralizer there was always a competitive jobber ready and willing to let him have all of the goods he wanted. The campaign was a complete flop, and again we proved that any educational campaign, to be effective, must include the public as its principal factor.

A year and a half later we conceived our Price Peace Plan, and offered the trade and the public a series of liberal prizes for plans to maintain prices. The idea was responsible for a great deal of favorable discussion; we received many plans and a number were carefully thought out. The campaign was considered a success; but, as Professor Copeland, one of the judges, remarked, not one of the plans considered for the prizes was within the law.

This experience indicated that any plan of effectively maintaining prices, by working from the manufacturer

through its channel of distribution, would be most likely to be illegal. It also strongly suggested that our only practical recourse was an appeal to the public on a basis of economic principle and fair play.

But before we began to develop this suggestion we further investigated the subject. Last year I took from our organization an experienced young man and sent him on an investigation that covered the greater part of the country. He took no orders and presented no formal questionnaire. After every call he sent in the name and address of the druggist and his general impression from the appearance of the store and a frank discussion with the druggist about his problems. This representative called on 5,200 independent retail druggists—about 10 per cent of the total number in the country—and I read all of his reports.

All Blamed Manufacturers

This investigation taught us a great deal about our final factor of distribution; but the most significant fact disclosed is that about 99 per cent of the druggists expressed the conviction that they should have nothing to do with establishing prices on a fair and living basis. They frankly blamed the manufacturers for their demoralized competition and declared that it is entirely up to the manufacturers to correct the condition.

While my company, as well as many others, is doing everything possible to change the retail drug store from a buying to a selling agency, and endeavoring to teach the druggist the value of his windows, store displays, conservation of his capital and many other elements of merchandising, we can't get very far as long as he is convinced that his business depends on his ability to buy goods cheaply and bear his competition on price. He now thinks that the public demands cut prices, and that the manufacturer is responsible for the demand, and it is clearly our job to convince the druggist of his error by building up and directing the influence of the public. With the public on the side of clean economic merchandising there is no doubt regarding the result.

When the subject is considered from this viewpoint, every problem of our distribution looks to the public for solution. And I am sure that when the public is thoroughly advised as to the simple economic facts of price-cutting and of economic merchandising we shall find our problems greatly simplified, our relations with distributors on a stronger cooperative basis, our profits more satisfactory and

assured, our selling costs lowered and our general business very much improved.

But one manufacturer cannot accomplish this task alone. Neither can any small group of manufacturers. When the consumers of this country finally correct the present costly uneconomic practices of a large part of our retail distribution—as they will when they are conversant with the facts—it will be only after the manufacturers concerned have acted concertedly to furnish the public with the necessary information. To this end my company is investing many thousands of dollars in the advertising campaign I have outlined, and when the results are in we shall be glad to furnish them to manufacturers in all lines. Within a short time I expect to see the greatest campaign of educational advertising we have ever seen, and I repeat the conviction that there is no other way of correcting a condition that, besides being an imposition on the public, is responsible for inestimable losses to the manufacturers, wholesalers and retailers of the country.

Westinghouse Centralizes All Sales Service Work

The centralization of all sales service is accomplished in the appointment of W. W. McFadden as head of the sales service section of Westinghouse Electric & Manufacturing Company, Mansfield, Ohio, according to an announcement by M. C. Morrow, domestic appliance sales manager. Where formerly the range, appliance, commercial cooking, water heater, fan and vacuum cleaner sections maintained separate service organizations, now all will operate under Mr. McFadden's department.

The functions of this section are to supervise and investigate all complaints, the return of material, service of returned material, issue price sheet supplements, compiling of renewal parts catalogs and the creation of service manuals.

Roberts Leaves Moon

J. E. Roberts has resigned as vice-president and general manager of New Era Motors, and also as vice-president and general manager of the Moon Motor Car Company, to whom New Era sold the rights to build the Ruxton car. He has not yet announced his plans.

To give additional value to its advertising pages and bring direct business, the Evansville, Indiana, *Morning Courier-Evening Journal*, prints the advertisement of an article which appears in its paper on a detachable stub at the left end of every pay check it issues to employees.



for the man in charge of SALES

Maps are essential to visualizing your markets, both present and potential. But, the value of your sales maps is dependent entirely on the ease and convenience with which you can refer to them when occasion demands.

At Your Finger Tips

A Multiplex map system keeps all of your maps available at the tips of your fingers—keeps them at the proper eye level—keeps them clean and neat.



Maps of any standard make or size are mounted on wings which swing in a frame like pages of a book held in a vertical position. Sales executives everywhere use this system which enables them to get the full value of their sales maps.

Write for Book

Send for a copy of the book "Visualizing Modern Business," which shows how thousands of executives are using Multiplex equipment to display charts, printed samples, photos and similar material. Also how reasonably you can put a Multiplex map system to work for you. No obligation. Just mail the coupon.

MULTIPLEX Multiplex Display Fixture Co.
925-935 N. Tenth Street,
St. Louis, Mo.
Send me without obligation, your book,
"Visualizing Modern Business." Also
price list of Multiplex Map Systems.

Name..... Position.....

Firm Name.....

Address.....

City..... State.....

Firms Like These Use Our Warehouses In Distribution

Look at the wide variety of products pictured in this photo. Consider the complex marketing problems faced by the makers of this merchandise. Then realize that all these products—and many, many more besides!—are distributed through member warehouses of the American Warehousemen's Association.

We receive such merchandise in carload or less-than-carload lots . . . store it for the owners at our member warehouses in 189 cities throughout the United States, Canada, Cuba, Hawaii . . . and then distribute it wherever and whenever the owners wish.

We can perform the same service for you . . . do everything that your own branch house would do in the physical distribution of your merchandise. And we'll do it for less than it would cost you to operate a branch!

Send for Free Book

A 32-page booklet* tells all about our service. It is called: "Increasing Your Sales Through the Use of A.W.A. Public Merchandise Warehouses." Send for a free copy and learn all about our plan of distribution.

Merchandise Warehouse Division
AMERICAN WAREHOUSEMEN'S ASSOCIATION
1770 Adams-Franklin Building
Chicago, Illinois

* Increasing Your Sales Through the Use of A.W.A. Public Merchandise Warehouses

A Plan for the Week Ahead

(Continued from page 242)

Just half of them could tell me definitely "where" they were going to be on next Monday. Of those, less than half could tell quickly "whom" they were going to see. And of those who passed that test, hardly a one could tell me "why" they were going to call on the specific individual or "what" they were going to do after they got there.

They were a pretty shame-faced lot, those salesmen, when we had finished. Ashamed to think they knew so little about their own plans for the following week that they couldn't answer four or five simple questions about those plans.

Every one of them went away thinking very seriously about his job. A half-dozen vowed they would know by Sunday just where they were going each day the following week, whom they were going to see, why they were going to see him and what they were going to say.

Management Gives Aid

But the management had learned something, too. If the salesmen on their own account were doing such a poor job of individual planning, wasn't it about time that management stepped in and did something toward supplying the proper tools and methods for the men to use? They thought it was. So did I.

As a result, within a few weeks the sales department had worked out a weekly planning sheet. It is one of the best steps forward they have ever made in the management of their selling function. It is shown in the illustration accompanying this article.

It takes the salesmen's three jobs—consumer resale work, dealer selling and collections—and strings them across the top of the sheet. Down the side it sets the days of the week. And lo! the salesman begins to look it over and the sheet fairly fills itself out. His fingers itch to fill it out and see what the future holds for him.

Do you think any salesman ever again did quite the loose-jointed, haphazard job of selling he used to do? Do you think he could ever be caught again not knowing the where and who and why and what of his next week's job? Surely not!

It takes but a few minutes once a week for each man to fill out his weekly planning sheet. One copy he keeps. One copy goes to the office to serve as route and mail list.

If the office writes him to make a collection call, he jots it down on his

next week's call list. His planning sheet thus becomes a memory jogger, a management tool and a route list all in one.

With it the salesmen are learning to manage their jobs, instead of having their jobs manage them. There is growing up a perfection of coordination and cooperation between office and men—something which always seemed impossible before.

Butter Industry Seeks 25 Per Cent Increase by Group Promotion

A national movement to "Help yourself to more butter" will be inaugurated next month, under the direction of the American Farm Bureau Federation, Chicago. The program would be financed by the nation's dairy farmers on the basis of one cent a delivery of cream to manufacturers. Figuring that they deliver, on the average, twice weekly throughout the year, the federation expects the individual contribution to be \$1.04 a year.

The program will endeavor to obtain the cooperation of the various dairy-producing counties with three objectives: To arouse interest in the county in increased individual health; to point out the importance of dairy products in the diet and, through these means, to increase the consumption of milk, butter, cheese and ice cream at least 25 per cent in each county in the first year.

July and August are being devoted to organization work and market surveys. Each of the following ten months will cover specific values of butter and other dairy products from the aspects of health, food value and economy.

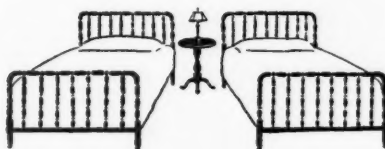
The National Grange and Farmers' Union are cooperating with the federation in the movement, and a committee of five has been appointed to assist the National Dairy Council, which will be directly in charge of the program.

Publicity and stunts will be the principal local media.

R. W. Balderston is manager of the council.

Bale Directs N. B. Coast Sales

A. J. Bale, formerly Portland manager, and for the past three years vice-president in charge of the California interests, at Los Angeles, of the Pacific Coast Biscuit Company, has been appointed general sales manager, in charge of its six Coast plants, now operating as a division of the National Biscuit Company.



Simmons

beds . . . springs . . . mattresses

Uses

Holland's

Main Office & Publishing House
DALLAS, TEXAS

The Magazine of the

SOUTH

New York, 52 Vanderbilt Ave.
Chicago, 122 S. Michigan Blvd.

Because:

they, like Armstrong Cork . . . Crosley Radio . . .
Mohawk Carpet Mills . . . Real Silk Hosiery . . . 20-
Mule Team Borax . . . Singer Sewing Machine . . .
Florence Stove, and a host of other nationally
prominent advertisers, have found that the new,
modern South is abounding in golden sales op-
portunities. They know that with one medium
they can adequately cover the *true* market of
the South. That HOLLAND's reaches and taps
this rich Southern market..is amply proven
by the consistent yearly programs of these
outstanding advertisers.

**YOU CAN'T COVER THE NATION
WITHOUT COVERING THE SOUTH
. . . . AND YOU CAN'T COVER THE
SOUTH WITHOUT HOLLAND'S**

An organization serving sales and advertising executives from seaboard to seaboard writes:

"The Markets and Media Reference Number issued by SALES MANAGEMENT has become so important to us as a reference source, that if we were to be deprived of revised issues as they appear, I feel we would be severely handicapped serving our clients."

The 1930 Edition of the Annual Reference Number will be ready
September 27.

Sales Management
420 Lexington Ave.
New York City

One-Jump-Ahead Chandler

(Continued from page 244)

dropped in to say 'hello' to the lieutenant and he told me his brother was thinking of buying a car. I haven't sold him yet, but he is a good prospect."

Chandler has some definite ideas of his own about selling automobiles. One is that it is better to contact prospects than to stay in the salesroom and wait for prospects to come in of their own accord. For this reason, he has no floor days at all. Early in 1929 he asked to be relieved of floor duty so he could devote all his time to working his prospects and he said he finds this better. He is the only salesman connected with this branch who does not want all the floor days he can get. He depends on owners and "bird dog" salesmen to keep him supplied with prospects and he says he has so many he finds difficulty in following up all of them promptly.

Tips on Prospects

Just in case any reader doesn't know the meaning of "bird dog salesman," the term refers to those who turn in prospects for a consideration. Marmon pays \$10 to \$15 for every such prospect who buys and Chandler works this plan to good advantage. In addition to furnishing every owner with a book of prospect cards, he has several filling station men, parking lot attendants, policemen, and others working for him on the same basis.

Another of his ideas is that it is better to help a prospect buy than to try to sell him. "I decided some time ago that high-pressure methods do not pay in the long run," he said. "Now I take the position of an adviser, rather than a salesman. If, when I am in the market for a suit of clothes, I could go to someone who knows clothing and depend on him to help me buy, I would appreciate his helpfulness very much. I don't know clothing, but do know automobiles. In contacting a prospect for an automobile, then, I undertake to give him the advantage of my knowledge of the product he is buying. I am his friend and adviser; not just a salesman out to earn a commission. My attitude wins his confidence and he not only buys but he sends me prospects thereafter."

"For the same reason I maintain close contact with owners after they buy. I get many prospects in that way, of course, but at the same time I take the position that in calling on an owner every thirty days or so I am just keeping up my friendship with

him and making sure that he gets the best possible service and satisfaction out of his car. Few owners really know very much about cars and I can often give a bit of advice that proves genuinely valuable, or make some little adjustment that wins his gratitude."

Considering the fact that any car not made in or near Detroit is very hard to sell in Detroit, Chandler has been highly successful, and A. M. Colville, his branch manager, is authority for the statement that he always turns in "good business," meaning that he tries to be fair with his employer, as well as with his prospects and owners.

Salmon Packers to Give Prize for 'Cooperation'; Start House Organ

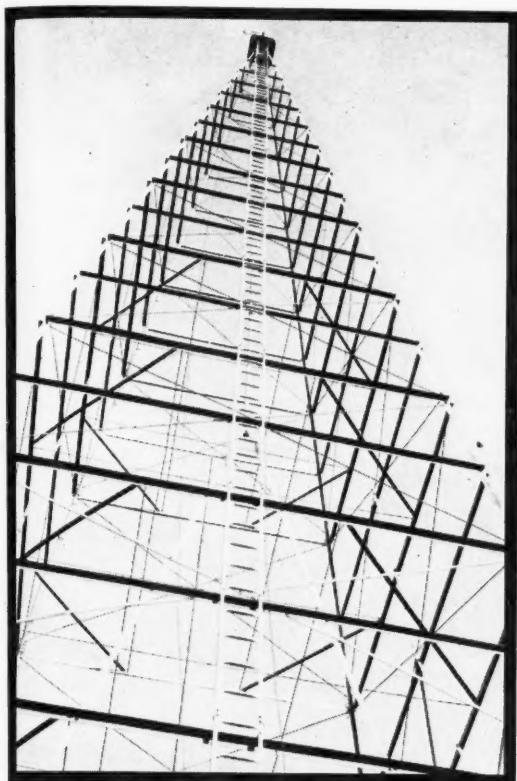
The newspaper which gives the "best merchandising cooperation" up to October 1 in the cooperative advertising campaign of the Associated Salmon Packers, Seattle, launched nationally last month, will be given a page advertisement for a late October issue, Erwin, Wasey & Company, in charge of the campaign, has just announced. A total of 3,401 coupons were received by the packers from the first two advertisements of the series.

As part of the educational program, the association has launched two regular bulletins—*Selling Salmon*, a monthly for exchanging merchandising ideas, being mailed to packers, brokers, jobbers, chain store executives, and others; and *First Minute Flashes* on current developments in the campaign, sent daily to packers and Seattle brokers.

An Account Change Error

In the "Account Change" column August 2 it was erroneously reported that the "Louisiana Oil & Refining Company, subsidiary of the Standard Oil Company of New Jersey," had placed its advertising with the Yost Advertising Company, Inc., St. Louis. William Bolje, sales promotion and advertising manager of the Louisiana Oil Refining Corporation, Shreveport, points out that his firm is "not a subsidiary of the Standard Oil of New Jersey" and "has not yet announced an agency connection."

Curtis G. Pratt, New York operations manager, has been elected vice-president in charge of all New York units of Adolph Gobel, Inc. Mr. Pratt was formerly president of the Dover Shoe Company, Dover, New Hampshire, and joined the Gobel company this spring.



the Janesville Gazette takes to the Air

For more than five years we have known that it was only a question of time before the Janesville Gazette would own and operate its own broadcasting station. Quite logically any medium which offers additional coverage of the Southern Wisconsin-Northern Illinois market should be a part of the Gazette's service to readers and advertisers. August 1 the Janesville

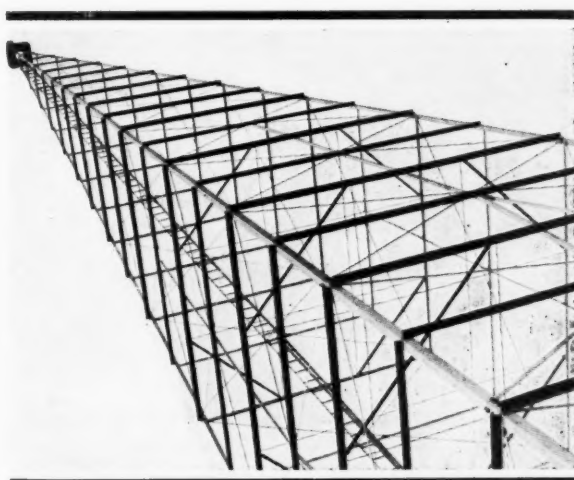
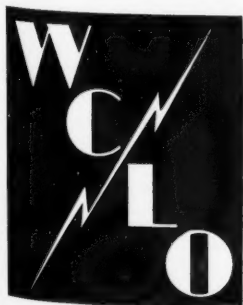
Gazette station, WCLO, went on the air. That night the switchboard hummed with messages of congratulations. The next morning the letters started coming in — they are still coming—and the latest public service effort of the Janesville Gazette was entirely successful. WCLO is completely furnished with new and modern equipment and has the largest broadcasting studios in the State of Wisconsin. These facts show clearly how the Gazette is constantly alert to the new—ready and willing to make changes and additions if the results spell greater service to its readers and advertisers. The Janesville Gazette calls daily at 15 out of 15 homes in Janesville and 13 out of 15 homes in the 41 cities and towns in this prosperous Southern Wisconsin market area. Naturally WCLO will supplement and make more intensive this coverage. Sales and advertising executives should consider this carefully in working out plans for the fall and winter months.

The Janesville Daily Gazette

Janesville

Wisconsin

Thos. G. Murphy, Adv. Director
H. H. Bliss, Publisher
Frederic A. Kimball, Inc., Representatives
Chicago New York Pittsburgh Philadelphia
Detroit Milwaukee



"An Address of Distinction"



**Greater Value
... Too**

LIGHT, airy and spacious rooms, luxuriously appointed . . . tempting foods. Overlooking the quiet shores of Lake Michigan . . . quickly accessible to vacation pleasures and business activities. Value-for-your-money in every detail of service. Rates begin at \$5 a day. Permanent Suites at Special Discounts.



The Ambassador

The smart shops, theatres, art center, business, financial and professional districts are reached quickly and conveniently from The Ambassador. It is in the Social Center on one of the world's most famous thoroughfares.

NEW YORK
PARK AVENUE
AT 51ST STREET

ATLANTIC CITY • PALM BEACH • LOS ANGELES

How an English Candy Maker Successfully Sells Quality

BY F. McVOY

NOT many years ago a firm of chocolate makers, located in a famous London shopping street patronized by the most exclusive clientele, used a small six- or eight-inch single column advertisement for a very limited number of insertions in one or two British national daily newspapers to draw attention to their very exclusive products.

What these one or two advertisements lacked in inches they more than made up for in the novel sales plan adopted to focus attention upon this extensive brand of goods, and so create additional consumer demand among a class of people who will buy the best regardless of price.

"Exclusive" Appeal

Indeed, this very point was the burden of the sales message, for special emphasis was laid upon the fact that Charbonnel chocolates appealed to those people who would have the best, that the chocolates were actually made, packed and sold in Bond Street, London, only, that it was a personal business, which explained the reason why the standard of purity, quality and service never wavered.

When it is mentioned that the prices charged varied roughly from \$2 to \$60 each a box, it can be realized that the plan adopted for creating new customers simply had to be distinctly out of the rut.

The sales plan used was quite a simple one, and merely consisted of embossing on the flat base of every chocolate a number.

Included in every box was a numbered list describing each chocolate. A registration card was also included on which customers were invited to mark the number of their favorite chocolates, *so that their particular taste and preference might be recorded.*

Where outside ribbons were used, no less than fourteen varieties ranging from pale pink to purple were used, and customers preferring ribbons were invited to state their choice.

"Did it pay?" Well, as the scheme originally began with quite modest single column spaces for a very limited number of insertions in a small list of papers, until now half and triple column spaces are used for special periods, that fact alone provides an affirmative answer.

Apart from the novelty at the back of the selling idea—quality plus service—this scheme is a definite reply to those good folks who would urge that quality goods are not suitable for special creative sales efforts.

That this sales plan is limited both as to the amount spent and the number of insertions used, is actually in its favor, as an economical sales creator.

For obviously only a limited class of people could afford to pay the high prices charged.

The numbering of each individual chocolate and the invitation to mark the particular kinds preferred form at once a personal tie between the manufacturer and customer and also gives the latter the impression that the maker wants to study his customers' wants, and not those personal preferences of his own.

"Study your customer" has built many small businesses into large ones and this plan carries this out in very practical fashion.

But there is another and quite as important point gained by the maker in thus studying his customer. From the registrations received the manufacturer will be able to regulate output to the salable quantities required for each particular kind of chocolate sold, and so eliminate the accumulation of unsuitable and therefore unprofitable lines of stock.

Newhouse to Supervise Peach and Fig Sales

M. J. Newhouse, special representative of the Federal Farm Board during the grape control grower-signup campaign, has accepted the post of general manager of the reorganized California Peach & Fig Growers' Association. He will be in direct charge of all sales.

E. I. Feemster, president of the association, announces that up to \$200,000 is available to peach and fig growers through the Federal Farm Board, that seven of the association's eleven plants in central California would be liquidated and that the contract with the growers has been revised to suit the Federal Farm Board plans.

The association handles both dried, fresh and canned figs and peaches.

Survey of Surveys

(Continued from page 222)

figures say 43,107, an increase of 178.3 per cent in ten years, which is nothing to be sneezed at unless it is a good respectful sneeze!

Thumbnail Reviews

The Retail Jeweler Gives His Unbiased Opinion on Gifts and Artwares. An analysis of the sale and distribution of gifts and artwares in the retail jewelry stores of the United States. Free to agencies, manufacturers and wholesalers interested in distributing their merchandise throughout the wholesale jewelry trade. Write on your letterhead to the *Jewelers' Circular*, 239 West Thirty-ninth Street, New York. Thirty-two pages.

Trend of Underwear Sales (Silk, Rayon and Cotton). By Alexis Sommaripa and W. Henry Hooper, Jr., of the Bureau of Research of the National Retail Dry Goods Association, July, 1930. Part I, Women's Underwear; Part II, Men's Underwear. Based on the experience of sixty-eight retail stores located in twenty-eight cities and sixteen states of the United States. Free from the association, 225 West Thirty-fourth Street, New York. Twenty-seven pages.

Safety Meetings. By the Policyholders Service Bureau, Metropolitan Life Insurance Company. Presents methods of stimulating interest in safety by conducting foremen's and employees' meetings, other than safety committee meetings. The eighth of a series of leaflets, based upon a study of the field of safety engineering. Previous studies are, "Getting Results from Safety Work," "Getting Facts About Accidents," "Directing the Plant Safety Work," "The Foreman's Part in Safety," "Workmen's Safety Committees," "Safety Advertising," "Safety Competition." All may be obtained free from the bureau, 1 Madison Avenue, New York. Sixteen pages.

An Industrial Audit of Oregon. By O. K. Burrell, associate professor of business administration, University of Oregon, July, 1930. Measures and appraises the growth of manufacturing in Oregon since 1899 and compares this growth with the growth of manufacturing in other states. Free from the School of Business Administration, University of Oregon, Eugene, Oregon. Sixty-seven pages.

Portland's Share in Export Traffic from North Central United States to Trans-Pacific Markets. By William A. Fowler, associate professor of business administration, University of Oregon. August, 1930. Indicates what portion of the export traffic between the United States and countries across the Pacific passes through the Pacific Coast ports of the United States; considers factors affecting the routing of shipments from interior points of origin through to destinations in the Far East and Oceania as they influence transcontinental movement of commodities for export via Pacific ports; views Portland's present position with respect to in-transit traffic; and points out the advisability of devising a port development program that will enable Portland to reap the full measure of benefits that will attend important improvements in the port's shipping facilities. Free from the School of Business Administration, University of Oregon, Eugene, Oregon. Forty-five pages.

A Growing Influence

DAILY (Net Paid)

1921	50,463
1922	53,788
1923	56,826
1924	55,409
1925	55,951
1926	57,903
1927	60,558
1928	60,832
1929	61,222

SUNDAY (Net Paid)

1921	49,732
1922	47,062
1923	52,721
1924	57,267
1925	58,357
1926	61,052
1927	66,355
1928	66,693
1929	69,879

This consistent growth is being maintained without the use of premiums, contests or special inducements of any kind.

{The above figures cover six months' statements for periods ending October first.}

THE POST-STANDARD

Syracuse, New York

PAUL BLOCK, INC., Representatives

NEW YORK CHICAGO DETROIT BOSTON
PHILADELPHIA SAN FRANCISCO

Daily 61,222 Net Paid

Sunday 69,879 Net Paid

MARKET ANALYSIS

By PERCIVAL WHITE

52 charts, diagrams, sample letters and questionnaires are given to show how market research work has been done by others, and to give the reader a plan of campaign for a survey of his own. This book will be particularly valuable to any sales executive who feels that his sales volume has not reached full potentialities; it shows how and where to get the needed facts, how to analyze them, how to use them profitably. 340 pages.

Price, postpaid, \$4.00

Remittance should accompany order

SALES MANAGEMENT

Book Service

420 LEXINGTON AVENUE

NEW YORK CITY

Industrial Surveys. By George C. Smith, director, industrial bureau, Industrial Club of St. Louis. A terse discussion of the purposes, technique, methods, sources of information, discovering prospects, etc., in industrial surveying, with an outline, bibliography and exhibits by one who has had fifteen years' experience in plant location research and community development after an almost equal period of economic training and teaching in some of the leading universities of this country. A limited edition. Free. Inquiries should be addressed to the Industrial Club, St. Louis, Missouri. Sixty pages.

Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930	Year 1929
May 3 120	May 4 155
May 10 ... 118	May 11 ... 150
May 17 ... 120	May 18 ... 149
May 24 ... 123	May 25 ... 149
May 31 ... 125	June 1 144
June 7 126	June 8 140
June 14 ... 111	June 15 ... 142
June 21 ... 106	June 22 ... 141
June 28 ... 99	June 29 ... 121
July 5 94	July 6 141
July 12 ... 91	July 13 ... 138
July 19 ... 90	July 20 ... 138
July 26 ... 83	July 27 ... 136
Aug. 2 ... 78	Aug. 3 ... 136
Aug. 9 ... 90	Aug. 10 .. 129

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.

Restrict Political "Media"

Politicians cannot advertise themselves on chewing gum packages or match flaps in Nebraska, State Attorney General C. A. Sorenson announced this week. This ruling was in response to a query from a state office contender who had been threatened with criminal prosecution by his opponent if he distributed a thousand dollars' worth of paper matches advertising his campaign platform.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.

Cash Basis Only. Remittance Must Accompany Order.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years' salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

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